THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Christmas Number

December 16, 1939

Why Japan Maintains the Yen Bloc
By John Ahlers

U.S. Navy Now and in Prospect

By Lieut.-Commander B. L. Austin

Finland's Appeal to the League

Chinese Theater in the Making

By Averil Tong

Japanese Idea of Life After Death
By Dr. Tetsujiro Inouye

VOLUME 91 PRICE 50 CENTS NUMBER 3

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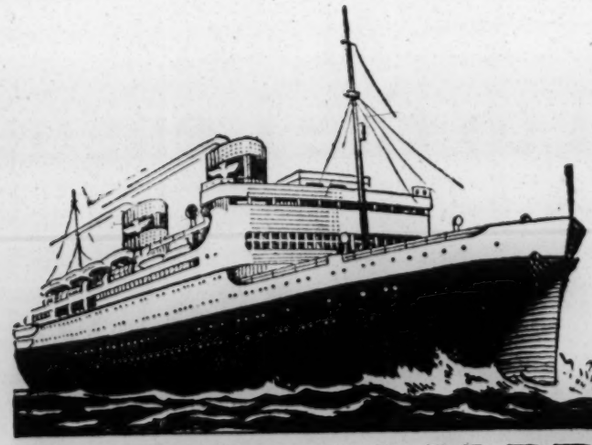

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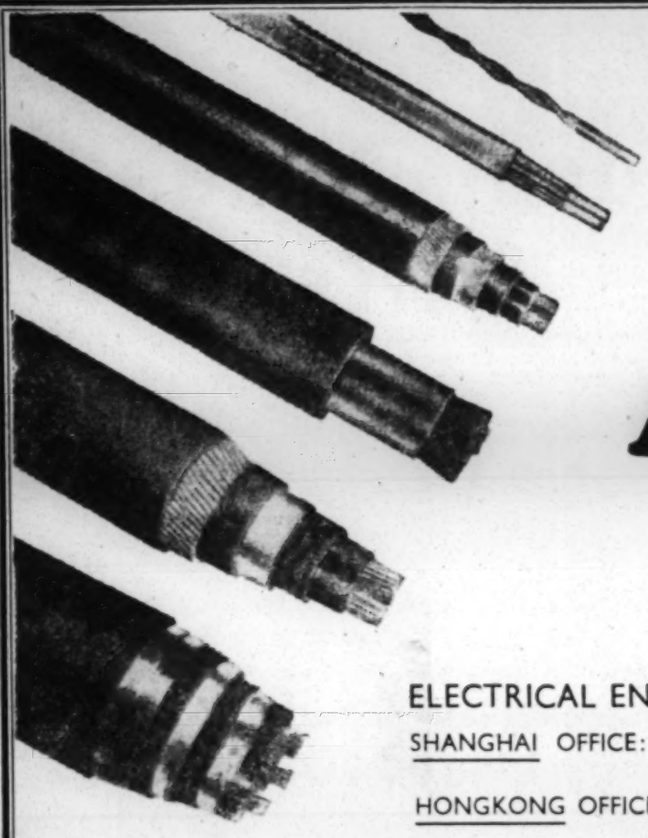

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What People Are Saying

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LETTER FROM LONDON

To the Editor:

The Review is getting ever more interesting and I eagerly look forward to receiving each issue. World politics, as you rightly show, are in the melting-pot. Communist and Nazi leaders have each let their adherents down badly and there seems little to choose between the perfidy of either. Great Britain, of course, had no alternative but to accept the German challenge and it is a pity we were not in a position to do so a long time ago. On the other hand, I bitterly regret how little we did to assist the Poles. The situation was geographically complicated, but this obviously should have been taken into consideration before we guaranteed to come to Poland's aid if aggressed.

The morale of the British people is excellent and the air raids over Scotland, though on a small scale, have demonstrated that this form of warfare is going to be a costly undertaking. The Royal Air Force is on its toes and confident it can take care of the German raiders.

On the surface it would seem this is bound to be a long-drawn-out affair, yet I am by no means convinced that there are not a series of surprises in store for us.

GERALD L. G. SAMSON

London, England, October 25, 1939

NICOTINE AND WAR

To the Editor:

The declaration of war met with unanimity throughout the British Empire, which feared another Munich more than another war.

To say that we are at war with Hitler and not the German people is all bunkum. The German people bombed open towns and cities, killing thousands of innocent people, and it is the German people who will do all the shooting. They have made their choice and must suffer the consequences.

Conditions in Europe indicate what comes of appeasing criminals. One after another, the small nations, which were a bulwark for peace, are wiped off the map. And, soon all to remain will be the big vultures, which will devour each other like monsters of the deep. The Nazis and Bolsheviks are on the march to terrorize and massacre all in their path. Their crimes disclose their mentality, and how much reliance can be placed in their covenants and promises. The destruction of unfortified Warsaw, inexcusable from the standpoint of military necessity, was staged as an act of self-glorification by a blood-thirsty tyrant.

Lloyd George, so-called war-time premier, who betrayed Montenegro and Armenia, made an ill-timed, cowardly and scurrilous attack on crushed and bleeding Poland. There is nothing in life so despicable as an attack on a fallen friend or ally. It is little wonder that our allies are all scrambling over the back fence.

Attacked on two sides by brutal Nazis and bestial Bolsheviks, Poland had as much chance as a baby caterpillar in a nest of hungry ants, and is as far from salvation as Limbo is from Bliss.

There is altogether too much speech-making and peace talk, which are responsible for a decline of interest in, and enthusiasm for, the war.

The mistakes of the Great War were many and terrible. How many of the mistakes of the past will be avoided in the present conflict? In the preparation for the greatest struggle since the dawn of time, we should not lose sight of the lessons of the past. One grave mistake was the cigarette and rum ration. Tobacco reduces man's efficiency by 25%. Bad for man, it is infinitely worse for woman. At no time does man require to be in full possession of his faculties more than in mortal combat. Life in war depends on swift decision and quick action. When the faculties are dulled by nicotine or alcohol, the result may be disastrous. Seasoned guerrilla warriors shun them as they would a pestilence.

F. E. BURNHAM,
Brigadier-General.

Halcyon Hot Springs,
Arrow Lakes, B. C.,
November 24, 1939

BRITISH PROMISES

To the Editor:

I thoroughly appreciate your candid and fair way of presenting the irreducible facts as they emerged in your editorial entitled "Tri-Cornered Diplomatic Tussle Makes Peace Between China and Japan a Live Issue," which appeared in your issue of Oct. 21.

I agree with you perfectly that both China and Japan, the two parties directly concerned, desire peace, though China wants it to a lesser extent in consequence of her rightful stand in fighting for her independence. It is my personal political dictum that those who count on British promises of assistance perish—to wit, the Czechs, Poles, Turks(?), Chinese(?).

S. Y. LIVINGSTON HU

Tsunyi, Kweichow,
November 24, 1939

THE CHINA WEEKLY REVIEW
Cable Address "REVIEWING SHANGHAI"
J. B. POWELL, *Editor and Publisher*
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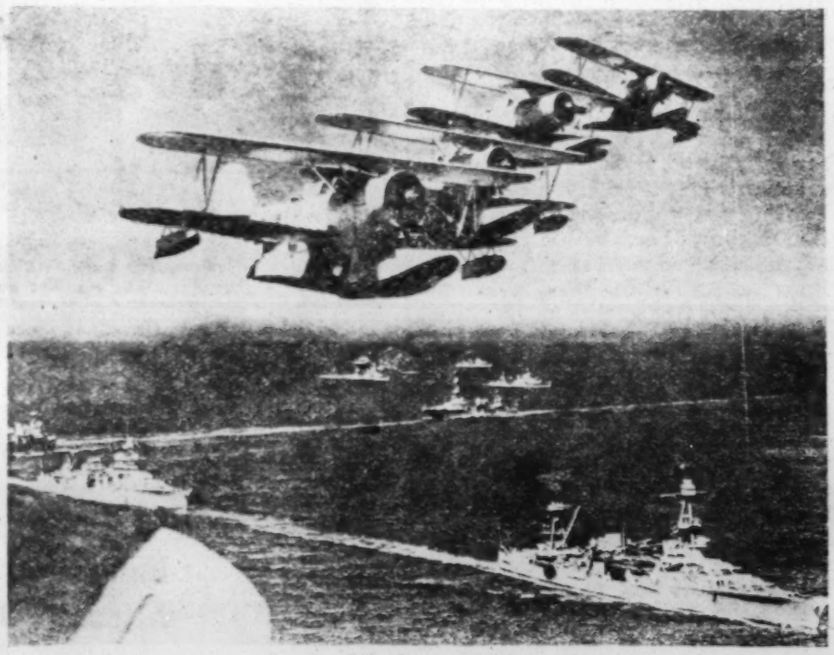
SOME ADDITIONAL ELEMENTS IN THE RELATIONS OF JAPAN AND U.S.A.

TRAVELLERS across the Pacific on the Clipper planes tell of interesting developments at Midway Island, where the U. S. Navy is rapidly developing a combined submarine and air base. More than 500 men have been employed on the job for several months and the results are now apparent to passengers on the planes. Midway Island is entirely surrounded by a coral reef, hence the most important phase of the work of converting the lagoon into a harbor for ships, was the blasting of a gap in the reef. This work has been completed and large repair ships are now able to enter the harbor. Other work such as the construction of piers is proceeding rapidly. The work is being done by the Navy Department. Midway is the first stop west of Honolulu for the Clippers, the distance being about 1,500 miles. U. S. naval planes—singly and in formation—make trips regularly from Pearl Harbor to Midway in connection with fleet maneuvers. Money for the construction of the naval-air base at Midway was provided by Congress two years ago, this being one of a half dozen bases stretching in a giant semi-circle from Alaska to the Panama Canal.



Seaplanes roar overhead while heavy cruisers steam in zigzag pattern to baffle "enemy" submarines and range-finders—Picture taken at U. S. maneuvers in the Pacific.

There are two further stops for Clipper planes between Midway and Manila—Wake and Guam. The last regular session of Congress refused to sanction an appropriation for harbor development at Guam on the ground that such action might be misinterpreted by the Japanese. It is unlikely that Wake Island will be developed, but Guam could be developed and may be later—depending on circumstances. Guam is within easy flying distance from Tokyo and might well become an important meeting place for American and Japanese aviation services. Guam is the most important of the Mariana or Ladrone group of islands and is the only one not controlled by Japan. Directly north of Guam is the Bonin group which the Japanese Navy has fortified and in the vicinity are important Japanese islands such as Saipan and Pelew, both of which are said to have been developed for both subs and bombers. Yap Island, where the Commercial Pacific Cable from Shanghai joins the main line from Manila to San Francisco, is also in the vicinity. Yap is a part of the Caroline group, also formerly German. The United States put up a strong fight for equal rights at Yap, because of the cable station, but did nothing about the other islands. Japan did little in the World War, but fell heir to most of Oceania, now of tremendous importance due to the development of aviation. Most of the Japanese islands lie athwart the Honolulu-Midway-Wake-Guam Manila route, but despite this circumstance American planes are now flying back and forth along these fortuitously placed and spaced specks on the ocean.

***

President Roosevelt, in mid-November, called attention to a vital weakness in the U.S. defense program in the Pacific—the lack of a Pacific Coast steel industry. There are a few small steel plants on the coast, three in California belonging to U. S. Steel, with a capacity of 441,500 tons and three others belonging to Bethlehem with a total capacity of 380,000 tons. As the leading U. S. airplane factories are located on the West Coast, there is a great demand for high-grade steel alloys. In addition, the expansion of West Coast shipyards has created a further demand for plates. Practically all this steel reaches the Coast by way of the Panama Canal. Producers of steel have argued that the lack of deposits of coking coal and iron ore would make the development of a steel industry difficult if not impossible.

But Army engineers, who are interested in the subject, for another reason, have been studying the question and have now published a voluminous report, "Available Raw Materials for a Pacific Coast Iron Industry." The report points out that the Columbia River Bonneville Dam, now nearing completion, will provide cheap electric power that can take the place of coal in a Pacific Coast steel industry. Instead of coal—used in blast furnaces for iron-making, in open hearth furnaces for steel—West Coast steel plants would depend on electric furnaces fueled by new Bonneville generators to process iron ore or scrap directly into steel. The Army bulletin pointed out that stainless and other special electrolitic steels for war purposes are "peculiarly adapted for production in the Pacific Coast low-power areas—California, Oregon and Washington. The Army bulletin (*Time Magazine*) offers numerous suggestions for solving the shortage of iron. Chilean ore is already used in East

Coast plants, therefore, why not also on the West Coast? Another source is low-grade ore from the U. S. mountain states, said to exist not too far from the Portland dam. Western states also possess manganese, chromite, tungsten and lesser metals. Probably of most importance, however, was the suggestion that Philippine ore might be used. The Philippines are now supplying Japan with about 1,000,000 tons of ore for the Japanese steel industry, which amounts to between 10% and 20% of Japan's consumption. It is claimed that the Philippine ore supplies range from 50,000,000 to possibly 500,000,000 tons. But—and this is important—it would be necessary to transport this ore across 8,000 miles of Japanese-infested ocean.

What the Army engineers did not put in their report, but which Army and Navy engineers constantly have in mind—in connection with American relations with Japan—is the fact that heavy munitions and armament necessary in a conflict with Japan would have to be transported entirely across the North American continent by rail or motor road, or through the Panama Canal, in constant danger of air-bombardment from secret Japanese bases in nearby Central or South American countries, not too friendly toward the United States.

⁂

A few days ago the Japanese *Domei* news service circulated an item from Tokyo stating that Japanese shipping circles "were watching with keen interest the expansion of American maritime activity in the Orient . . . it was stated that American shipping firms had notified the London Maritime Commission that services to Hongkong, Singapore and Manila would be expanded early next year . . ."

President Roosevelt announced, at a press conference on Dec. 8, that the Government was planning to revive the American Merchant Marine in an attempt to use American vessels on trade routes outside of war areas, in order that merchandise now carried by belligerent merchantmen could be diverted to American ships. The statement was made following a conference with Joseph P. Kennedy, U. S. Ambassador to Great Britain, who is now in the United States by leave. At present the American Merchant Marine consists of 326 vessels, of which 44 belong to the Government and 282 to private companies. This does not include ships exclusively engaged in coastwise or Great Lakes traffic. The withdrawal of American shipping from profitable European routes, following enactment of the Neutrality Law, has caused American shipping firms to suffer heavy losses. Congress will be compelled to shoulder a portion of this loss, hence the coming session of Congress, which meets in about three weeks, will be faced with the problem of the American merchant marine. Arguments favoring a development of United States shipping as a phase of national policy are:

1. A large number of merchant ships is necessary as a measure of defense. A navy is not very effective unless it is backed up by fleets of merchant vessels. These vessels are necessary to carry supplies to the navy. Furthermore, troops cannot be moved across the sea except by the use of merchant ships. Merchant vessels are needed to bring supplies from the outside to a nation which is at war. Not only that, but merchant vessels can be quickly transformed in time of war into fighting vessels.

2. The United States exports a tenth of all that it produces, and it imports certain essential supplies such as sugar, rubber, coffee silk, and tin. The export and import trade may be carried in foreign vessels in time of peace, but it is not certain that foreign ships will carry on our commerce to our satisfaction in time of war. When the World War broke out, foreign vessels were carrying 90 per cent of our commerce. Immediately upon the outbreak of war, the belligerent nations were compelled to withdraw their ships, and many of these ships quit carrying goods to and from the United States. The result was that for a long time it was impossible to export our goods. Our docks were piled high with goods awaiting shipment and it was hard to obtain goods from abroad. Freight rates went up rapidly, and this increased the cost to American people of all goods which were imported.

It was because of the general feeling that we needed a large merchant marine that the government began to encourage the building and operating of ships by American companies. This effort has been carried on quite effectively since 1936, when the Maritime Commission was established. Acting through the Maritime Commission, the government helps shipping companies to build and operate ships. It pays part of the cost of new vessels, and grants a subsidy to American companies which operate the ships. This permits the Americans to stay in business in competition with foreigners in spite of the fact that the cost of building ships and of operating them is greater in this country than in others.

The U. S. Maritime Commission, center of a serious controversy involving the Neutrality Law, which will be fought out in the forthcoming session of Congress. The members of the commission are—(seated, l. to r.) E. C. Moran Jr., Rear Adm. E. S. Land, chairman; Rear Adm. H. A. Wiley, S. D. Schell, D. S. Brierley; (standing) T. M. Woodward, W. Creighton Peet Jr., H. T. Morse, R. E. Anderson, D. E. Lawrence.

Our merchant marine has now been built to the point where about a third of all our foreign trade is carryed in American ships. Our merchant fleet is only a little smaller than those of Japan and Germany, though it is less than a fifth the size of the British merchant marine. We are still building rapidly. The Maritime Commission has planned that 50 ships shall be built every year for 10 years.

Panay Christmas Fund Now Exceeds the $700 Mark

The Panay Christmas Fund, started a few weeks ago by a group of American naval and marine ex-servicemen, has now passed the $700 mark and is expected to reach $1,000 by Christmas. The money will be given to the Maud Truxton Henderson orphanage in Shanghai and other orphanages of deserving character here and in the interior. The group that initiated the Panay Christmas Fund was composed of the local post of American World War Veterans, known as the U. S. Panay Memorial Association. Contributions to the fund to date, have been as follows:

Two anonymous contributions, each $200	$400.00
Four contributions of $25 each—Leon Anderson, W. H. Putman, G. Stevenson, Miss Ling	100.00
One contribution, $20, Dr. George Sellett	20.00
Three contributions, $15 each, Orphan's Friend, Mr. and Mrs. Woo Kyatang, J. B. Powell	45.00
Six contributions, $10 each—C. Ferguson, J. A. McKinney, R. L. Evans, A. E. Colterjohn, A. E. Herbert, C.E. Frensby	60.00
Eighteen contributions, $5 each—J. Mangus, H. W. Householder, H. C. Varnum, George Stevenson, C. N. Conway, Mrs. J. C. Stritzel, Mrs. Vanmeter, Miss Mary Zung, George N. Economore, L. Anderson, C. S., Mrs. Lee, C. P. Kahmann, "Linny," Christine Diemer, L. A.	90.00
Two contributions, $2—Mrs. Waung, Mrs. Li Ying Ching	4.00
Total to date	$719.00

Contributions to the Panay Christmas Fund may be sent to J. B. Powell, c/o China Weekly Review, or C. D. Alcott, c/o The China Press, 160 Ave. Edward VII, Shanghai. Envelopes containing checks or cash should be marked "Panay Christmas Fund".

Why Japan Maintains the Yen Bloc

BY JOHN AHLERS

THE maintenance and expansion of the so-called Yen Bloc has become an established Japanese policy. Numerous official declarations and documents emanating from the Tokyo Government deal with the Yen Bloc, alternatively as a program or as an accomplished fact. Japanese propaganda hails the Yen Bloc as an outstanding feature of contemporary Nipponese policy. Foreign powers are requested by Dai Nippon to acquiesce in, and to cooperate with, the Yen Bloc.

Yet there is no authoritative Japanese definition of what the Yen Bloc actually is, and what it is meant to become. It is described sometimes as a method to sponsor the Nipponese "new order" in Eastern Asia. It is defined by others as an aim in itself, either supplementary to, or largely identical with, the "new order" or the "Japan-Manchukuo-China" Bloc. Some of the interpreters of the Yen Bloc charge other interpreters with misrepresentation. The same vagueness which surrounds most of the professed aims of Japanese policy in China is characteristic also of the Yen Bloc.

There are means for neutral observers, however, to define exactly what the Yen Bloc is thus far, and there are indications as to what it is likely to become in the future. After a little more than one year of Yen Bloc policy, it has become quite obvious what the Yen Bloc gives and promises to the Japanese, and to what extent it interferes with and threatens the China interests of other nations.

The term Yen Bloc is little indicative of, and rather misleading as regards the substance and purposes of Nipponese Yen Bloc policy. It recalls the Sterling Bloc which, after years of prominence in world trade and finance, was exploded as a result of the war in Europe. Yen Bloc and Yen Bloc policy, however, in many respects, are fundamentally different from the Sterling Bloc and Sterling Bloc policy. The Sterling Bloc was a voluntary grouping of independent currencies which chose to follow the lead of the British pound. The Sterling Bloc was not compulsory for the British Empire; Canada pegs its currency on New York instead of London. Many Sterling Bloc currencies were non-British, being the legal tender of independent countries such as the Scandinavian states, France, Japan and China. The Sterling Bloc currencies all were at liberty, except for the British colonies and India, to discontinue or to readjust at any time their pegging upon London. The Sterling Bloc, moreover, was not linked up with any controls of trade or foreign exchange.

None of these features of the Sterling Bloc applies equally to the Yen Bloc, which, on the contrary, shows the very opposite characteristics. The Yen Bloc embraces Japan proper, Korea and Formosa, Manchukuo, Meng-Chiang (Inner Mongolia) and North China. It comprises territories within the Japanese sphere of power exclusively. No country outside that sphere ever expressed any desire to be included within the Yen Bloc. Membership in the Yen Bloc is compulsory. The Yen Bloc was not established as a voluntary grouping of independent countries. It was enforced by Japan, who politically, militarily and economically dominates and exploits the other members. The latter are not independent, but are supposed to be represented by puppet governments which the Japanese set up themselves. They are not at liberty either to cease or to readjust their pegging on Tokyo.

All Yen Bloc currencies—the Manchu, Mongol, F.R.B. dollars and the Korean yen—are pegged at par to the Japanese yen. With the yen in turn being pegged to the U.S. dollar at the rate of U.S.$23.45—Yen 100, the Yen Bloc currencies are all officially supposed to enjoy this same rating in American legal tender. Actually, this rating and inter-yen-bloc parity are fictitious. Convertibility among the various Yen Bloc currencies has been restricted within extremely narrow limits, and is but one-sided. Yen will buy any amount of the other yen-bloc currencies, but the latter will not purchase unlimited amounts of yen. The Japanese oppose the conversion into yen of the other yen-bloc currencies. The open money markets in Shanghai and Tientsin quote different rates for every yen-bloc currency, despite their official parity, and rate all these currencies far below the official rates. The Japanese yen, the best and highest rated of all the yen-bloc currencies, is valued in Shanghai at only 10 American dollar cents per Yen 1, although the official Tokyo rate is 23-7/16 U.S. dollar cents.

"Allies, O Allies—Where Art Thou?"

Daily Herald, London

The reason for these phenomena is that not only is the Yen Bloc as a whole a compulsory grouping, but also that none of the various yen bloc currencies is a free currency. They all are strictly controlled currencies which are definitely overvalued. The different open market valuation of each results from wide differences in coverage, circumstances of issue, and the attitude of the people among whom these currencies are circulating. From these points of view the Bank of Japan yen continues to rank first, the Manchu dollar second, the Korean yen third, the Mongol dollar fourth, and the Peiping F.R.B. dollar only fifth.

This is by no means the situation which the initiators of the Yen Bloc expected to create. They cherished, on the contrary, some vague vision of a not distant future when in the Japanese-controlled territories in China the yen and the other bloc currencies would achieve free inter-circulation at ratings of genuine parity, reciprocally assisting and boosting each other. They had the ultimate vision of Tokyo as the financial center of the East, rivalling the financial glory of London and New York. The majority of the visionaries, however, were military officers incapable of grasping the simple truth that a man cannot pull himself out of the mud by his own bootstraps.

The Yen Bloc brain-trusters overlooked the fact that monetary units are essentially different from military units. They will not obey simple command to go anywhere, but follow rules and laws which are much older than even the Japanese Empire claims to be. The fundamental mistake made with all the Nippon-sponsored puppet currencies in China was that they were not based upon genuine reserves of any consequence, and that they were not issued in trust-inspiring circumstances. Moreover, they were pegged from the outset to a Japanese currency which only with great difficulty held its own. Genuine parity between the yen and the other Yen-Bloc currencies could have been established only by means of dividing up the gold and exchange reserves which were behind the yen among all the Yen Bloc currencies. That was impossible, because the monetary reserves of Japan proper were hopelessly insufficient for such a task. The coverage behind the Bank of Japan yen during the present Sino-Japanese war suffered a huge reduction, contracting from almost 50 per cent in the summer of 1937 to less than 20 per cent at the present time. The consequence was the remarkable development that, instead of the yen assisting the other yen bloc currencies, the latter helped to drag down yen quotations in the open money markets in China.

As a purely monetary enterprise, the Yen Bloc is an obvious failure. It is greatly unsatisfactory to the Tokyo Government, the Bank of Japan, the Nipponese military, and Japanese big business alike. The monetary vision of the Yen Bloc creators has proved an alluring but treacherous *fata morgana*. Instead of a wide realm of yen-dominated monetary unity on the Far Eastern mainland, we see today currency particularism and countless monetary barriers erected all over the Japanese conquests in China, and we see the Nipponese themselves anxious to withdraw their own currency from the continent back home. First of the various instruments of Japanese power and expansionism to have been exhausted and defeated by China, is the yen.

Why, then, do the Japanese continue to promote and to propagate the Yen Bloc? Is their persistence in advertising this combination a mere face saving device? Do they simply not have the courage to face the facts and to acknowledge defeat? By no means. The Yen Bloc was planned and established not merely as a monetary enterprise. The Yen Bloc was devised and used, from the very outset, also as a means of anti-western trade and general business discrimination. As such, it has not been a failure at all but a triumphant success. It is largely due to the inauguration of the Yen Bloc that today in Manchuria, Inner Mongolia and North China Japan accounts for no less than 70 per cent of the foreign trade, and that the share of Dai Nippon's western competitors has been greatly reduced also in many other branches of business in occupied China.

The establishment of the Yen Bloc and the issue of yen-pegged puppet currencies provided Japan with the means to establish foreign exchange control in her conquests in China. This control of foreign exchange, in turn, gave Japan a perfect instrument to regulate in her own favor, and to the detriment of her western competitors as well as of the Chinese, the foreign trade and every other business involving transactions in foreign exchange. Nominally the exchange control in these areas emanates from the various Japanese-sponsored puppet regimes, which endow with control authority their various so-called "state banks." The latter, entirely dominated by their Japanese "advisers" and "experts," have been induced to entrust with the actual management of the control Japan's semi-official Yokohama Specie Bank, which today exercises control of foreign exchange all over the Yen Bloc, including Japan proper. Close linking of this foreign exchange control with import and export licensing in the names of the Hsinking, Peiping and Kalgan puppet regimes finally did the trick, with the controllers of exchange controlling equally the issue of trade licenses.

Getting Ready for the Pay-off

Herbert Johnson in Saturday Evening Post

In the monetary field, the inauguration of the Yen Bloc brought chaos in the place of earlier currency unity, free convertibility and stability in China. In the commercial field, however, the creation of the Yen Bloc replaced the former conditions of equal opportunity for all foreign nations, with a regime of Japanese trade domination and Japanese discrimination against all competing interests. That is why Japan continues to cling to the Yen Bloc despite its monetary failure.

Finland's Appeal Comes Before the League Council; German Anti-Soviet Peace Plan is Rumored

TALE OF THE JOLLY OLD BREMEN

The giant North German Lloyd liner, the Bremen, which evaded the British Navy and got to Murmansk just after the outbreak of the war, succeeded this week in once more eluding attacking ships and made a German port safely. Three rather diverse stories of the vessel's escape have come from German, French and British sources. They make good reading. Here they are:

Transocean, the German agency:—"In the North Sea a British submarine, which tried to attack the liner, was forced by a German plane to dive so low that an attack was prevented."

Havas, the French agency:—"Unable to assure the safety of the German liner's crew, a British submarine permitted the Bremen to pass unattacked, although within torpedo range, the (British) Admiralty announced . . . . Emphasizing the difference in warfare methods as employed by the Allies and the Reich, British quarters declared the Bremen probably was too far from land when she was sighted to permit the submarine to land her crew in safety. The submarine naturally could not bring the huge liner into port, and therefore was compelled to let her get away scot free."

Reuters, the British agency:—"The submarine, of course, the (British Admiralty) communique adds, was precluded by the laws of warfare from torpedoing the Bremen without first warning her."

FINLAND, as a member of the League of Nations, has submitted to that organization her appeal against Soviet aggression. The League Council has set up a special committee to consider and report on the Finnish appeal. By the time these lines appear in print the action of the League in the case of Finland—if any action is to be taken at all—will probably be known.

Two South American states have demanded the expulsion of Soviet Russia from the League, and have threatened that they will themselves withdraw unless this is done. The first act of the League Committee when it assembled early this week was to address a note to Moscow, asking the Soviet Government to send a representative to Geneva not later than Wednesday, to withdraw its forces from Finland and submit to peace negotiations. Moscow had previously declared the League session to be unfounded—because "the Soviet Union is not in a state of war with Finland"—and again declined to attend. It is not unlikely that Moscow will anticipate possible League action by announcing Soviet withdrawal from the Geneva institution.

According to a *United Press* dispatch from Geneva on Dec. 11, the Chinese delegation refused to participate in the sessions of the League Council, thus blocking any attempt that might be made to expel the Soviet Union from the League, since an expulsion vote must be unanimous. One can understand China's reluctance to jeopardise her relations with Soviet Russia, from whom she is receiving assistance in her defensive war against Japan, but her reported attitude at Geneva in the case of Finland is likely to undermine seriously the sympathy she has won abroad for her own case. Since the Japanese invasion of Manchuria in 1931, the Chinese Government has repeatedly appealed for League action against Japan. If China now refuses to give Finland just the aid of a vote, for the reason that it might impair certain of China's material interests, she will have little right to complain against the dominating League powers who, in the case of China versus Japan, placed *their* material interests first and did practically nothing to aid China's cause. China might consider, too, the certainty that the Stalin Government, regardless of China's attitude in the Soviet-Finnish embroilment, will sell out China's cause without compunction any time it seems expedient to do so.

More than once in the past, League sessions have been the occasion for under-cover diplomatic moves which have little direct relationship to the ostensible purposes for which the sessions were called. The current session, called to consider Finland's appeal, is likely to be the screen behind which important secret talks will go forward. The representatives of the big powers, meeting with the spokesmen of the small neutral states, may be expected to display more interest in the strategic aspects of the war from the point of view of Allied aims than in the single case of victimized Finland.

An illuminating report with a distinct bearing on this aspect of the matter was a *United Press* dispatch from Geneva on Dec. 11 which said that a determined Italo-German under-cover move was under way which would culminate in Italy presenting a German plan for ending

Adolf's Hungry Friend

Thomas in the Detroit News

hostilities between the Reich and the Allied Powers "on the basis of anti-Sovietism"—in other words, Hitler is prepared, under certain circumstances, to turn his arms against his Russian ally. Geneva, the dispatch claimed, was seething with rumors, and reliable quarters expected a German move of the kind indicated, despite the fact that it would not meet the Allied demand for "a German government which can be trusted."

Secret diplomacy, which makes war and arranges peace over the heads of the peoples and without any regard for their desires or interests, prevents us from knowing what may be in contemplation. Reports from London this week announced the summoning of secret sessions of the House of Commons and the House of Lords, and an Order-in-Council has been published which establishes penalties to be imposed on any members of parliament who divulge information on proceedings of the sessions.

What is the Chamberlain government doing that the British people are not permitted to know about? Let everyone make his own guess. That the policies and methods of this government are not as popular with the people of England as the Ministry of Information would have us believe, has been indicated in a number of happenings which have leaked out despite the censorship. Major Attlee, leader of the Labor Party, declared this week that the people of England have no confidence in the government's ability to wage the war against Germany

successfully and bring about a satisfactory peace. The worthy Major doubtless would like to be the war-time Prime Minister himself. He is not against the war, as his followers are: he just wants it conducted more efficiently.

Much more significant than Major Attlee's statement was a reported resolution of the Trades and Labor Council of Sheffield, representing thousands of workers. The Council declared that it would give no support to Chamberlain in the prosecution of the war. "Whatever the issue of the war," the resolution proclaimed, "the working class will be the loser. The leaders of the Labor Party and the trade unions are requested not to support the present government and to inaugurate a campaign for the speedy conclusion of peace." Similar resolutions have been adopted by the Trades and Labor Councils in Greenwich, Hampstead and Edinburgh.

Nothing But the Old Shell Game

New York Times

It thus appears that Britain's working class, or a substantial portion of them, are not enamoured of Chamberlain's war aims. Not because they don't want to see Hitlerism crushed, but because they suspect that behind this alleged war aim lurks a much less attractive one: the preservation of a state of affairs which has nothing in common with the interests of the British workers. The Nazi propaganda minister, Dr. Joseph Goebbels, spoke a truth for once when he addressed German officers at Trier on Dec. 7. Said he: "At the bottom of its heart, the British plutocracy does not care a bit what the German governing regime is like. The British plutocrats hate National Socialism for the simple reason that it united Germany and made the nation strong."

When it is remembered that Chamberlain and company discovered their hatred for Hitlerism and became possessed of an ardent desire to "liberate the German people" only after war had been declared—in other words, only when German imperialism under Hitler's leadership had thrown down a challenge to the British Empire—the truth of Goebbels' assertion becomes obvious.

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Considering the size of the country and the smallness of its man-power, Finland is putting up an amazing resistance against the Russian invasion. The main theater of operations is the Karelian peninsula in the far north, and the Finns are still holding Petsamo against the onslaughts of the Red Army. No more northerly war has ever been fought either in ancient or modern times. In the northern sector, according to Finnish claims, more than 9,000 Soviet soldiers had been killed up to the beginning of this week. The Red Army was also said to have driven ahead of its supply trains, with the result that Russian soldiers were suffering extreme hunger in the bitter Arctic climate.

According to a *Transocean* report from Helsinki, most of the 15,000 inhabitants of Lapland were evacuated by the Finnish authorities before hostilities broke out, but hundreds of Laplanders were left in the territory to round up the reindeer and drive them to places of safety, thus saving some 4,000,000 kilograms of reindeer meat for the Finnish population.

On Dec. 8, the Soviet Government proclaimed a blockade of the Finnish coast in the Gulf of Bothnia and in the Gulf of Finland. Four days earlier, Finnish forces occupied the Aaland Islands, which previously had been

CALENDAR OF THE WAR

Sept. 1—Germany invades Poland. Danzig "returns to Reich."

Sept. 3—Chamberlain at 11 a.m. and Daladier at 5 p.m. announce their nations are at war with Germany. British liner Athenia sunk without warning by a submarine with a loss of 142 lives.

Sept. 6—French troops make cautious advances on German soil.

Sept. 17—Russia invades Poland from the east. British aircraft carrier Courageous torpedoed with a loss of 515 lives.

Sept. 27—Warsaw surrenders unconditionally.

Sept. 29—Russia and Germany sign treaty partitioning Poland.

Oct. 6—Hitler, addressing the Reichstag, threatens Britain and France with a disastrous war if they do not accept peace on Germany's terms.

Oct. 10—Daladier turns down Hitler's "final peace terms." Estonia and Latvia having previously capitulated, Lithuania becomes the third Baltic state to yield naval bases and airdromes to the U.S.S.R.

Oct. 12—Chamberlain rejects German peace proposals.

Oct. 14—British battleship Royal Oak torpedoed by a U-boat with a loss of about 786 lives.

Oct. 16—German bombers raid the British Fleet at Rosyth, killing sixteen men and scoring a hit on the cruiser Southampton. Scapa Flow base is attacked next day and the training ship Iron Duke damaged.

Oct. 18—The Kings of Denmark, Norway, and Sweden meet at Stockholm with President Kallio of Finland to discuss Soviet demands on Finland.

Oct. 19—Turkey signs a fifteen-year treaty with Britain and France to combat aggression in the Mediterranean or Balkans, but exempting Turkey from any conflict in which the U.S.S.R. is involved.

Oct. 26—Soviet Government protests British contraband list as contrary to international law.

Nov. 4—President Roosevelt signs new Neutrality Act.

Nov. 8—Chancellor Hitler escapes death when bomb explodes in Munich beer hall cellar on occasion of Nazi reunion. Hitler left the premises a few minutes before the blast occurred.

Nov. 11—Britain and France reject peace mediation offer by King Leopold of Belgium and Queen Wilhelmina of the Netherlands.

Nov. 21—Japanese N.Y.K. liner Terukuni Maru blown up off English coast near Harwich. No lives lost.

Nov. 28—Britain announces decision to seize German exports carried in neutral vessels in retaliation against German mine and submarine warfare. Neutrals, including Japan, lodge official protests against new blockade measure, which was to become effective on Dec. 4. Moscow denounces non-aggression pact with Finland.

Nov. 29—Soviet Government severs relations with Finland.

Nov. 30—Red Army invasion of Finland commences.

Dec. 11—League of Nations Council meets to consider Finland's appeal against Soviet aggression.

demilitarized by international agreement. These islands are situated at the entrance to the Gulf of Bothnia.

A demonstration of American friendship for Finland was forthcoming on Dec. 11, when it was announced that the Export-Import Bank and the Reconstruction Finance Corporation, both government-controlled, had established credits for Finland in the United States up to $10,000,000 to enable Finland to purchase surplus American foods and other civilian supplies. Italy has been sending air-

Is the Battleship Still Supreme?

Elderman in the Washington Post.

planes to Finland, while Germany, which has every reason to view with alarm the Soviet incursion into Scandinavia, is reported to be supplying Finland with arms and munitions.

But aid to Finland will have to be much more substantial if that country is to retain its independence. The Finnish premier has declared that sympathy is not enough, but no power is likely to send armed forces to aid Finland. By their marvellous resistance to invasion, the Finns have caused Stalin's Red Army to lose a lot of face. Stalin, we may be sure—like the Japanese at Shanghai in 1932—will seek to recover this lost military prestige. More Soviet forces will enter the field. Unless powerful aid is forthcoming for Finland, the unequal struggle must end in a Finnish defeat.

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Japan has challenged the British decision to seize German export cargoes carried in neutral ships. The Osaka Shosen Kaisha steamer, the *Sanyo Maru*, of 8,360 tons, was to sail from Rotterdam on Tuesday of this week with a cargo of German manufactures and an expectant world is waiting to hear whether the British navy has allowed the vessel to proceed unhindered. Netherlands authorities in Amsterdam predicted, according to *United Press*, that the vessel would be allowed to proceed to Japan with the cargo, said to consist of munitions. Japan had officially protested the new British blockade measure and the Japanese press has hinted at retaliatory action against British shipping in the Far East in the event that Japanese shipping is compelled to unload cargoes of German goods in British ports.

On Dec. 8, the United States Government dispatched a note to Britain, reserving all rights with regard to the Allies' "double blockade" of Germany. The note was couched in extremely mild language, according to all reports. Commenting on the note the following day, Secretary of State Cordell Hull said there were many instances of orders for German goods placed by American nationals and paid for in whole or in part. In other instances, there were goods which could not readily be duplicated in other markets, and Americans relied on purchases of such goods for the carrying on of their legitimate trade.

"In these circumstances," Secretary Hull declared, "the British Government will readily appreciate that the United States Government cannot with equanimity accept the measures contemplated (seizure of German exports), which, if applied, would add to the inconvenience and damage to which innocent trade and commerce have already been subjected."

A *Transocean* report from Amsterdam on Dec. 11 said that vessels of the Netherlands East Indies Line will no longer call at Singapore or Colombo, since contrary to international law the British authorities at those ports had searched those ships and seized mail addressed to neutral countries.

Mr. Joseph P. Kennedy, American Ambassador to Great Britain, is back in the United States and has been conferring with President Roosevelt. According to a *Transocean* report on Dec. 11, he told reporters in Boston that no reason, financial, economic or social could justify the participation of the United States in the European war. Addressing an audience in the same city, Mr. Kennedy reportedly advised Americans to be extremely cautious of foreign influences if they loved their country, especially since the world situation could not be improved by America's entry into the war.

The Federal Reserve Board in Washington issued a statement on Dec. 8 showing the disposable financial

Latest War Rumors!

London Daily Herald

Panicky Percy to Ruby Rumor: "My fiancee reckons why Hitler don't blow us up is because he's promised Buckingham Palace to Stalin."

resources of Britain and France in the United States at the end of August, just prior to the outbreak of the war in Europe, as compared with those of Germany. Allied resources, the statement showed, aggregated $8,440,000,000 as compared with $160,000,000 for Germany. Neutrals, including Soviet Russia, disposed of resources in the United States to the value of $8,800,000,000.

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Rumors of further imminent extensions of the European war were features of this week's news. Reports from Allied sources claimed that Germany was preparing to invade Holland in the coming spring. A German invasion of Sweden, with a view to stopping Russia's advance westward through Scandinavia, was also predicted.

A *United Press* dispatch from Moscow on Dec. 9 announced the creation of a special military district for

Out on Two Different Limbs

Thomas in the Detroit News

the Odessa region, near the Soviet-Rumanian frontier. This move has caused alarm in Bucharest, the Rumanian Government fearing that a Soviet invasion of Bessarabia, formerly a Russian province, is being planned in Moscow.

Italy is once again looming in world news. A report in the *Stampa*, Milan newspaper, on Dec. 7, said that the board of management of the Suez Canal Company, meeting in Paris on Dec. 4, had decided to grant Italy a seat on the board. If the report to this effect were denied, the Italian paper commented, it would mean that the Italian Government had declined the offer of a single seat as incommensurate with the importance of Italian traffic through the Suez Canal.

Virginio Gayda, editor of Rome's authoritative *Giornale d'Italia*, in a broadcast speech to Italian students on Dec. 12, declared that Italy was a prisoner in the Mediterranean and must have a passage outside that sea. "Italy's national life is in the Mediterranean," Gayda said, "yet the entrance to and exit from it are in the hands of foreigners. Gibraltar, the Suez and now even the Dardanelles are controlled by Britain, which can close these passages, thus isolating the Mediterranean from the outside world. It is necessary for Italy to obtain a passage outside the Mediterranean for its freedom, its work and its very life."

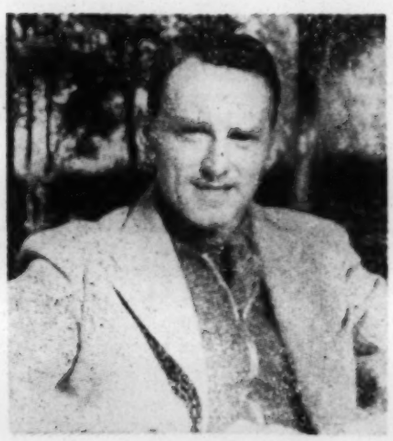
As between the Allied and German-Russian camps, Fascist Italy is continuing to maintain a substantially neutral position. If she is to get the Mediterranean concessions she is seeking, Mussolini will first have to throw in his lot with the Allies. Whether, and how soon, he will do that remains to be seen.

A Job for Life

TWO Japanese military men—Colonel Saburo Kawamura, an infantry officer, and Flight Colonel Seizo Arisuye—have been given a job for life. According to the Japanese *Domei* agency they have been appointed as a two-man directorate of a commission "to investigate damages in the China hostilities." We wonder where they will begin. We also wonder whether they will compute the damages they discover in undiluted Japanese yen, in watery Japanese military currency, in F.R.B. notes, in Hwa Hsing money, or what have you. The world will await their findings with keen anticipation, meanwhile wondering where the two military men will find the paper that will be required to record all the damages caused by Japan's war in China.

Oliver's "Special Undeclared War" To Be Published in U. S. A.

Frank Oliver, *Reuters* correspondent in Peiping for the past seven years, who recently was transferred to Washington, took along with him a revised manuscript of his book, "Special Undeclared War," which will shortly be published in the United States. The original edition of the book was published in London early in the present year and attracted considerable attention as one of the best descriptions of the Sino-Japanese war. The new edition to be published in New York will bring the account of the war and the situation in the Far East up to the end of the present year.



Frank Oliver

Mr. Oliver's transfer to Washington has aroused widespread interest in the Far East as he is one of the best informed and most widely experienced newspapermen in the Orient. He will have charge of *Reuters* office in the American capital.

Mr. Oliver was born in England and received his first newspaper experience on the *Norwich Echo*. His first connection in the Far East was with the *South China Morning Post* at Hongkong, following which he came to Shanghai in 1923 to become chief editor of *Reuters*. He was later transferred to Peiping and for seven years had charge of *Reuters* service in that city. Mrs. Oliver will remain in Shanghai with her mother for a few weeks prior to proceeding to Washington.

In the preface to his book, Oliver declared his conviction that Japan's invasion of China had no justification, that Japan's genuine grievances were few and could not justify the frightful suffering and slaughter which her invasion has caused and the effects of which will be felt for more than a generation. Those who would disagree with him, he asks to list what crimes on the part of any nation could justify the suffering and general frightfulness which the Chinese people have endured in the 18 months covered by the first edition of his book.

The title of his book, "Special Undeclared War," was suggested in the course of a press conference with the Japanese Army spokesman in Peiping. Mr. Oliver asked the Japanese Army officer to explain the shooting down of the American-Chinese plane at Canton in August, 1938. The plane was a civilian passenger and mail plane and of its 17 passengers, 14 were riddled by machine-gun fire from Japanese military planes which circled the defenseless air-liner and caused it to drop into a river. Among the passengers was a baby less than a year old and a Chinese boy of five years. The Japanese spokesman justified the action on the ground that the Japanese airmen were acting under orders and it was permissible in war.

Mr. Oliver asked, "But are you technically at war, Colonel? Why is it that the war is always referred to in Japan and by all Japanese as an 'incident'?"

The Japanese Colonel was infuriated. He snapped out: "Foreigners, who don't know China cannot understand. This is a *special* undeclared war."

Imperial Household in Japan Adopts a "Half-Polished" Rice Diet

Acting on the theory that unpolished, or "half-polished" rice is healthier than polished rice, the Emperor of Japan has adopted a diet of half-polished rice, according to *Domei* report. While the health factor has been an important element, the *Domei* report said that considerations of national thrift had been responsible for the Emperor's decision to place the Imperial Household on a half-polished rice diet.

It also was announced that the Emperor had set a further example in thrift for his subjects by refraining from turning on the heat in the Imperial Palace, long after the temperature had dropped below the freezing point.

The *Yomiuri Shimbun* reported that the Emperor also had adopted numerous substitutes for articles ranging from towels to writing paper as a further example in thrift for his subjects who have been compelled to restrict themselves because of privations occasioned by the war in China.

Crown Prince

Time Magazine

This friendly, smiling picture of Crown Prince Akihito of Japan was taken on the occasion of his sixth birthday, recently celebrated. The picture was taken at the botanical gardens of the Imperial University and was distributed to the press in the United States.

Conditions are "Quite Normal," but Tokyo Housewives Shop in Shanghai

Shanghai has become the "shopping center" of the Far East, at least for all housewives in Japan who can get together sufficient money for a round-trip ticket and can spare the time necessary to make the trip to Shanghai. This refers to Japanese housewives as well as foreign, as an inspection of the guest lists in Shanghai hotels will disclose. However, the best evidence is provided by a visit to almost any Shanghai department store where dozens of women shoppers from Tokyo, Yokohama, Osaka, Kobe and elsewhere in Japan may be observed on any day, making purchases of materials to take back to Japan.

Materials purchased in the "free" market of Shanghai include everything from butter and eggs to cosmetics and articles of clothing. Yates Road, where most of Shanghai's lingerie shops are located, is also reaping a harvest resulting from war restrictions in Nippon. Also, it should be mentioned, residents of Shanghai, who have friends in Japan, are kept busy "filling orders" for merchandise which is unobtainable in war-restricted Nippon.

And the shoppers are not all women. The male of the species, Japanese as well as foreigners, are finding Shanghai a most desirable place to obtain suits and overcoats made of "real wool" instead of synthetic fibers which melt in the rain or are devoured by insects accustomed to a vegetable diet. Socks and shoes and underwear, and shirts, yes shirts, made of silk, rayon and cotton are being purchased here and taken to Japan, once the world's leading market for tailored shirts of latest styles and fabrics.

Owing to censorship of the press, residents of Japan are not familiar with the extent of the "famine" which prevails, but the extent of their purchases here provides an excellent indication of the serious shortage of ordinary household articles and foods and wearing materials.

No Japanese newspaper has dared print it, but foreign residents of Japan whisper to their friends about how the British Ambassador, Sir Robert L. Craigie, had to send to Hongkong for coal to heat the Tokyo Embassy. Although Japan has had freezing weather for several weeks, practically no coal was obtainable until Dec. 11 when the Government lifted the ban and permitted purchases of fuel for the heating of business houses and government offices. The official *Domei* service, referring to the lifting of the ban on coal, described with considerable joy the "whirling smoke from scores of Tokyo chimneys," which indicated the lifting of restrictions.

The shortage of food in Japan is an even more serious problem than the lack of fuel. The heavy purchases of rice here by Japanese has largely been responsible for the shortage and ensuing high prices here. Katsuzo Nishi, a super-patriot recommended in an article in the *Hochi* (Dec. 5) that a movement be started to abolish the eating of breakfast as a "health" measure, but he was violently opposed by a Dr. Yanagisawa, who pointed out that the Japanese people already are suffering from malnutrition.

Women with small children are having the greatest difficulty in obtaining suitable foods in Japan because such articles as milk, butter, eggs and baby-foods are practically unobtainable. None of the well-known prepared foods for babies are obtainable at any price, hence the popularity of Shanghai shops which carry ample supplies, with Tokyo housewives who are able to purchase here dozens of articles which are prohibited in war-starved Nippon.

Sellett Submits Plan for Asia Realty Company Reorganization

A plan for the reorganization of the Asia Realty Company in terms of Section 77B of the U.S. Bankruptcy Act was presented to the United States Court for China on Dec. 9 by Dr. George Sellett, the trustee. The Company, involved in the crash of the Raven enterprises, has been in trusteeship since June 6, 1935. A statement of the reorganization plan, which requires confirmation by the U. S. Court, was published by Dr. Sellett, as follows:

"The Plan of Reorganization of Asia Realty Company contains a statement of essential facts with respect to the past and present condition of the company and the terms of a plan for its reorganization.

"The trustee of the Asia Realty Company has received an offer from Mr. F. P. Bills and Mr. George Bourne, American businessmen of Shanghai, which makes it possible to reorganize the company. By the terms of this offer Mr. Bills and Mr. Bourne will become the new stockholders of the company, and upon confirmation of the plan by the United States Court for China, they will immediately pay into the company $1,650,000 Shanghai currency, in cash as new capital in exchange for new common voting shares of the company.

"Of this amount of $1,650,000, the sum of $1,400,000 will be used by the trustee to carry into effect the Plan of Reorganization and the remaining sum of $250,000 will be used by the reorganized company as operating cash. The offer is made subject to the condition that a plan of reorganization containing the terms and conditions of the plan filed today shall be confirmed by the United States Court for China.

"The Trustee has recently appraised all of the real property of the Company, finding the value to be $8,315,913.58. The unencumbered portion thereof amounts to only $51,349.58.

"In substance, the plan provides:

"1.—The abovementioned sum of $1,400,000 and all other cash on hand as of November 30, 1939, will be used to make the payments necessary to carry into effect the Plan of Reorganization.

"2.—The rights of all present stockholders of the Company (Common Stock "A" and "B", Preferred Stock "A" and "B") shall be deemed extinguished, their share certificates considered cancelled and they shall have no claim against the Company.

"3.—Immediately upon confirmation of the plan the two years' interest in arrears on debentures will be paid. The outstanding debentures amount to $5,958,321.67. The Debenture Trust Deeds provide that the company shall put up additional security in the event that the aggregate value of the security held by the trustee for debenture holders falls below a certain amount. The plan suspends this provision of the Trust Deeds for a period of three years, provided, however, that during said period the company shall make semi-annual interest payments in full on due dates.

"4.—The rights of holders of first mortgages, amounting to $794,230.77, are not affected by the plan. There are two second mortgages, amounting to $865,026.29, on Company properties which are subject to first liens under the Debenture Trust Deeds. The value of this second mortgage security has been appraised at $108,123.29. This amount ($108,123.29) will be paid upon confirmation of the Plan and the second mortgagees shall be dealt with as general unsecured creditors for the balance, $756,898.

"5.—Current accounts will be paid in full.

"6.—Loan Certificate holders and other general unsecured creditors of the Company whose claims amount to $3,016,184.55 will receive approximately 35 per cent of their claims (calculated as of June 6, 1935) in complete discharge thereof.

"The Debenture register of the Company will be closed at noon, December 13, 1939, and will remain closed until confirmation of the Plan of Reorganization by the Court or until otherwise ordered. A copy of the Plan of Reorganization and of the Court's Order with respect thereto will be mailed to all stockholders, debenture holders, Loan Certificate holders and others affected by the Plan of Reorganization on December 13.

"The case has been set for hearing in the United States Court for China at 10 a.m., January 8, 1940, for approval and confirmation of the Plan by the Court."

Men of Nippon Buying Geishas Due to Need for Economy

(*Miyako Shimbun*, *Oct.* 24, 1939)

At a time when the supply of geishas is running short, there has been, ironically enough, an increase in *miuke*, an institution whereby a man pays a certain sum that a geisha owes her employer and she becomes his. Not the costly kind but of the modest sort, in which the price of the geisha is relatively low. Now this is an indication of the wisdom which geisha-patronizing men have acquired after many years of money-squandering. For it is manifestly more economical to buy a geisha of small price outright than to pay by the hour for days and months—provided one likes the girl. To this is added the great advantage of making the girl earn money for him. No wonder there has of late been a sharp increase in *miuke* transactions.

According to old folks who are stocked with lore of the geisha dom, such a phenomenon has not been seen since the early years of Meiji. In those days the state of Tokyo was unsettled because of many political upheavals and nobody had the leisure of mind to spend merry hours at a machiai. Thus geishadom was at the bottom of depression. Geisha houses began selling out cheap. This tickled the speculative spirit of some business-minded geisha-patronizing men, and girls sold like wild fire. In one geisha quarter eight girls had their debts paid and were turned into private property in a single day.

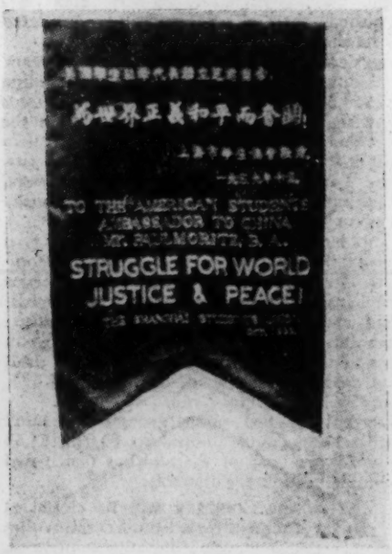
Now let us compare the custom of early Meiji and the present wartime days. The patrons of the two wartime eras, of course, did not and do not indulge in ostentatious celebrations when their girls became or become their property. In those days the patron used to have a box of red rice distributed to each of the girl's friends, accompanied with a set of two folding fans. The fans bore the family crests of the patron and his girl, to represent their romance.

The boxes of red rice were distributed equally to friends and acquaintances, but now boxes of rice are distributed only to a very few intimate friends. To attach folding fans to the boxes of rice is out of the question. Moreover, the patron often is found directing the distribution of the gifts with his eyes wide open not to allow the distributor to keep even one box for himself. What a hard life it is now!

American Student Representative Makes Tour of 'Free China'

A close personal link between the students of China and those in the United States is currently being forged by Mr. Paul Moritz, graduate of the University of Kansas and a representative of the Far Eastern Student Service Fund who is now visiting China. Mr. Moritz arrived in Chungking on Dec. 9 in the course of an extensive tour of "Free China" during which he will gather information regarding the living conditions of students in this country. He expects to lecture in the United States upon his return to that country.

For American Students



The American organization which Mr. Moritz represents has thus far contributed $350,000 toward student relief work in China. Mr. Moritz is the second representative of the Student Service Fund to visit China. The first was Mr. Jack R. Mc. Michael, who returned to the United States last year.

Recently, the Shanghai Student Union presented a banner to American students. A picture of it is reproduced herewith. On receiving it, Mr. Moritz addressed a letter to the Shanghai Student Union, accepting the banner as a "symbol of friendship" and pledging American students to work with their China confreres for "World Justice and Peace." The banner would be used in America, he added, to promote interest in China's cause.

Japan Faces Bigger Budget, More Inflation as the Year Closes

Budget estimates for the 1940 fiscal year, totalling Yen 10,360,000,000, were submitted to the Japanese cabinet at a meeting on Dec. 8. They represent an increase of Yen 950,455,000 over the budget for the current fiscal year. It is proposed to allocate Yen 6,767,000,000 to military and naval expenditures, or more than 65 per cent of the total, *Domei* reported.

Japanese statisticians compute that the war in China will have cost Japan the huge total of Yen 16,457,077,000 by March 31, 1941, when the next budgetary year will come to an end.

Additional inflation to meet the projected budget expenditures was predicted by the *Asahi* newspapers this week. The note issue of the Bank of Japan will probably reach Yen 3,650,000,000 by the end of this month, as compared with Yen 2,946,000,000 at the end of November, according to these newspapers.

Lost—One Honorable Go'd Reserve!

China Today, N. Y.

Tokyo War Minister: "Is the Hon. Treasurer worshipping his ancestors?"

Premier: "No, the Gold Reserve rolled out of the safe and he's looking for it."

Slogans and Posters Convey Patriotic Ideas to Masses

BY C. Y. W. MENG (孟長泳)

THERE are slogans everywhere in China today. One of the most common reads: "Live or perish together with the city"—meaning that the people should not evacuate, but survive or go down with the city. "We will destroy our pans and sink our boats"—this is another slogan which one encounters.

Many other slogans could be quoted. Those who have some knowledge of the Chinese language can better appreciate their meaning, for no free translation can possibly express it adequately.

The slogans are not new. They have their origin in Chinese history. They revive the spirit of the Middle Kingdom in bygone days. Their reappearance is therefore doubly significant.

There are new slogans, however, which are more directly expressive of the spirit of New China. And there are the cartoons, caricatures, woodcuts, etc which appear on walls, in newspapers and in magazines. In China there is a hight percentage of illiteracy. Hence slogans and picture posters are the easiest and most effective means of mass education and propaganda.

I have travelled extensively in south and southwestern China during the past two years and have studied these media of propaganda and education. I have collected posters in various places. Here are four typical posters which explain why and how China fights.

Propaganda Posters Used Throughout China

Japanese rape of China.

Using the weapon of the resistance war against the Japanese python.

Friendly powers have Japan by the ear as China pins the invader down.

The world as a club, wielded by the hand of Justice, against Japan, who seeks to conquer the world by force.

Chinese Troops Counter Attack in Nanning Area; Gains are Registered

WHILE Japanese news sources have been singularly quiet during the past week regarding the military campaign in Kwangsi province, Chinese reports have dealt extensively with counter-offensive activities by Chinese troops. These reports claim that not only has the Japanese advance northeast from Nanning been stopped, but that vigorous drives by the Chinese have forced the Japanese to abandon positions gained earlier in their drive from the coast near Pakhoi.

According to a Central News Agency dispatch, Yamchow, strategically-located town between Pakhoi and Nanning, was recaptured by Chinese troops toward the end of last week. Yamchow was one of the first towns to be taken by the Japanese in their drive into Kwangsi province. Its recapture — if true—must have been effected by Chinese troops operating in the rear of the advancing Japanese columns.

Japanese Hard-Pressed

Chinese reports also indicate that the advance units of the Japanese expeditionary force are having a difficult time maintaining their positions in the Nanning area. As early as Dec. 4, according to Chinese field dispatches quoted in a *Kuo Min* report from Kweilin, Chinese troops, after a rapid thrust southwestward along the Nanning-Pinyang highway, had reached the northeastern outskirts of Nanning, which the Japanese took on Nov. 24.

A small detachment of Chinese shock troops fought their way into the city and engaged the Japanese in severe street fighting. They reportedly withdrew after they had slain more than 100 Japanese soldiers and destroyed a munitions depot.

Following this foray, Chinese troops claimed recapture of Chitang, along the Nanning-Pinyang highway to the northeast of Nanning, on the night of Dec. 10, after a Japanese detachment of 500 troops had been blown to bits by Chinese land mines in the hilly region. Recapture of Kaofengyao, north of Nanning, was also claimed.

Challenges Kwangsi General

Japanese silence regarding Chinese military claims in Kwangsi may be construed as confirmation that these claims are more reliable than usual. Another source of confirmation was a *Domei* dispatch from Canton on Dec. 10, reporting that the Japanese commander in the Nanning area had addressed a lengthy "open letter" to Generals Li Tsung-jen and Pai Chung-hsi, Kwangsi commanders, challenging them to "stand up and fight" with their 500,000 troops in an attempt to recapture Nanning if they were not willing to cooperate with Japan in the reconstruction of China. Gen. Pai Chung-hsi is said to be directing the Chinese defense campaign in Kwangsi, and the pique of the Japanese commander, as exhibited in the "open letter," suggests that Gen. Pai's tactics have been meeting with the successes claimed in Chinese dispatches.

The "open letter" is an interesting document in several respects. Following is the text, as brought to Shanghai by the *Domei* agency: "The sole purpose of the Japanese military operations in the Nanning area," the letter to the two generals stated, "is to dislocate communications between the Chiang Kai-shek regime and French Indo-China.

"The Japanese Army, in its operations, paid due respect to the construction work done in Kwangsi as a result of your endeavors and has been careful not to cause damage to it. The Japanese Army is trying to give full protection to the lives, property and welfare of the people in general. You should clearly understand the world situation and endeavor to aid cooperation between Japan and China. If you do not realize it and still choose to oppose the Japanese Army, then stand up and fight and come to recapture Nanning with all your available forces.

"The Japanese garrison at Nanning is confident that it has enough military strength, equipment and airplanes to combat your 500,000 army. The remains of more than 4,200 gallant officers and men of your forces who fell in battles in the Nanning area are carefully buried together at Chungshan Park, south of Nanning. You may rest assured that religious services have been conducted for them."

More Chinese Gains

Chinese successes on other fronts have also been reported during the past week. Two important cities on the Kwangtung-Fukien border — Chaochow, north of Swatow in eastern Kwangtung, and Chaoan in southwestern Fukien near the Kwangtung border—have both been recaptured, according to a *Kuo Min* dispatch on Dec. 9. It was in this sector that

(Continued on page 112)

Puppet Military Academy

Press Union photo

This picture was taken on Dec. 9 at Kiangwan, Shanghai, on the occasion of the inauguration of the puppet Central Military Academy, which is connected with Wang Ching-wei's organization. Wang (center) and his leading henchmen are seen in the second row. The banner contains Wang's slogan: "Peace, Anti-Communism and National Reconstruction." The Wang clique have no distinctive flag of their own yet.

The Japanese Conception of Life After Death

By Dr. Tetsujiro Inouye

Professor Emeritus of Tokyo Imperial University

(Condensed from the Nippon Hyoron)

IN presenting briefly to the reader the most fundamental aspect of the Japanese attitude towards the question of life and death, I should like to discuss first the matter from the standpoints of the national faith in the Shinto shrines and Bushido, while making some additional studies of its theoretical side.

In Japan proper only are there today more than 110,000 Shinto shrines and some 14,000 Shinto priests in the service of their gods and goddesses. Even the most secluded mountain or remotest village invariably has a Shinto shrine of some kind or other. These numerous shrines found throughout the land may be classified, in accordance with their authorized ranks, roughly into governmental, national, prefectural, district and village shrines, besides a great number of minor shrines without status. Deities, to whom they are dedicated, are diverse in kind, some relating to ancestor-worship, nature worship, or both of them, while others represent earthly gods and goddesses in various districts. The fact condemns such a hasty conclusion as to define Shinto merely as a cult of ancestor-worship.

Notables are Deified

Although most of the Shinto shrines are sacred to heavenly deities belonging to the mythical age, it is by no means rare to find that Emperors and many great historical personages are also deified. Suffice it to say that the Meiji Shrine is dedicated to the Great Emperor Meiji, while many subjects who rendered great services to the State are enshrined at various places in the country, as, for instance, Motoori Norinaga, a classical scholar in the Tokugawa era, Yoshida Shoin, a great Imperialist in the Meiji Restoration, General Nogi, etc.

As individuals, the Japanese do not confine worship to their own ancestors; on the contrary, they pay the greatest respect to the shrines sacred to the ancestors of the Imperial Family. It is customary with them to deify their fellow-countrymen of a noble character, who have rendered great services of whatever kind to the State. Under such circumstances, the Shinto shrines as an institution are inseparably connected with the life of the Japanese nation.

The Yasukuni Shrine

In this connection, mention should specially be made of the Yasukuni Shrine dedicated to the soldiers who laid down their lives for their country, at which shrine even the Emperor and Empress are pleased to pray. Before departure for the front with a firm determination to die bravely on the battlefield for the cause of their fatherland, they hope to see their dear persons and friends the next time at this shrine, wherein they will shortly be enshrined. It is a great privilege indeed that they, be they a private or a general, are deified in this shrine for ever to receive the respect of the whole nation. Even if they can no more live and see their friends, they can still hope to remain eternally as deities in this country and continue to render services to it, never considering death in fighting to be an opening to another world. This psychological phase of the Japanese people suggests something of their unique view of life and death.

From ancient times the Japanese have believed in the existence of the soul after death in this world, and

Japan on a Limb

Seibel in Richmond Times-Dispatch

this gave rise to the custom of venerating the graves and the practice of self-sacrifice. These, however, are not necessarily peculiar to the Japanese nation, since similar old customs prevail also in China. What fundamentally characterizes their life, spiritual and otherwise, is certainly Shinto represented by the Shinto shrines. The institution of the Shinto shrines is absolutely unique in its nature, in that it is essentially based on the national belief not only in the immortality of the soul but also in its continued existence after death in this world. It is for this reason that however distinguished his services to the State may have been, no person has ever been deified in this country, when he had even the slightest blur on his character. All this goes to show how direct and far-reaching an influence the Shinto shrines exert on the national life of Japan. Viewed in this light, it may be said that the institution of the Shinto shrines is the most influential organ of social education, which is, as it did in the past, making the greatest contribution to the uplifting of the individual characters of the Japanese.

Influence of Buddhism

The realistic and optimistic view of the world is known as inherent in this nation. But there can be no doubt that the Buddhist conception of the other world has greatly affected this side of the national character, culminating in the popular practice of "double-suicide" among our people, which was seldom known in the earlier stages of Japanese history. Of all the influences of this particular Buddhist view on the national life, "double-suicide" may be cited as the most remarkable instance.

Speaking of the relation between Bushido and the Japanese view towards life and death, the practice of "harakiri" among our warriors, which dates back to the end of the Heian period (782-858 A.D.), must be taken up for consideration. This mode of killing oneself in olden times had nothing at all to do with a belief in life after death, though in some cases the loyal retainers killed themselves in a sheer desire to attend their lords beyond death. But this original type of "harakiri" later came to take a special meaning as, for instance, the idea of "rebirth seven times in order to destroy the rebels," which was expressed by Kusunoki Masashige (1294-1336 A.D.), the greatest loyalist in Japanese history. This idea of death, to which our warriors lived up, is unmistakably under the influence of transmigrationism, but it is essentially different from the Buddhist philosophy, since the former signifies repeated rebirth, not in the other world but actually in this world to serve their country.

Spirit Incarnated in Warriors

Although the Great Kusunoki pledged himself to rebirth seven times in this world in order to give his humble services to the Imperial Family, this spirit of his has been handed down to posterity, being incarnated from age to age in many patriotic warriors. It is all too clear to the Japanese mind that this great spirit has been incarnated in Yoshida Shoin, General Nogi and many other loyal people, who devoted their lives to the welfare of their country, to say nothing of the numberless soldiers who are now fighting in China.

It is an undeniable fact that various foreign influences such as Confucianism, Buddhism, Christianity and what not, have made their way to Japan in the course of the national history of Japan. But none of them could successfully place Japanese culture, not excluding the Japanese view toward the problem of life and death, completely under its control; on the contrary, it only enriched and fertilized itself through the assimilation of these foreign cultures. It is in this sense that Buddhism, notably the Zen sect, has exerted a far-reaching influence on the making of the view of life and death of the Japanese, especially of the warrior class. In other words, the Buddhist concept of life and death has been adapted to the original quality of the Japanese nation, yielding the unique philosophy pregnant with realistic and nationalistic significance.

The Japanese nation is possessed of a great national ideal of "world family," and its long national history is, in a very real sense, a

history of the sincere efforts of the the Japanese to act up to this noble ideal. Indeed, each member of the Japanese nation shares the common responsibility of realing this national ideal, a fact which imparts a really profound meaning to the philosophical idea of "rebirth seven times in this world to serve the country."

Immortality of the Soul

From the remotest period of its history, the Japanese nation seems to have believed in the immortality of the soul, and this primitive belief found nothing conflicting with the view towards the soul taken by Confucianism, which was later brought to this country to influence various phases of the national life. However, Buddhism as it was brought to this country for the first time, was entirely free from a belief in the immortality or existence of the soul. But with the passing of time, this religion was gradually assimilated into the customs of the Japanese people, adapting itself to their requirements. It is no wonder that Buddhism, which has passed through such trials, admits the belief in the soul as notably seen in the functions of the Bon festival.

In the Japanese view of death, there are no such things as paradise and hell, which are common to almost all the other religions. Contrary to them all, Shinto in Japan takes a very realistic attitude towards this problem, considering that a man after death continues to exist in this world. All things considered, it may be concluded that the investigation into the popular belief in this country is the key to the question of the Japanese view towards life and death.

Manager of Weaving Firm Kidnapped in Settlement

The Settlement police are investigating a kidnapping which was committed on the night of Dec. 8 in a lane off Kiaochow Road where Mr. Siao Ti, manager of the Kwang Yar Weaving and Dyeing Factory located in the same street was dragged from his house into a waiting car and taken away to an unknown destination shortly after he had returned home from a cinema with his wife. The watchman of the lane in which the crime was committed and a boy servant employed by the victim were arrested and brought before the First Special District Court on a writ of detention pending further investigations.

After the crime, Wang Ching-shan, the watchman of the lane, reported it to the Bubbling Well Police by telephone. When the officers arrived they became suspicious of Wang. Wang was alleged to have told the police that before committing the crime the kidnappers disarmed him and forced him to look at a wall. His service pistol was returned to him after the men had finished their job, he was further alleged to have told the police. The officers later also took Chen Fu-sen, a 14-year-old boy.

Moral Rearmament Sponsors Hold Week-End Campaign in Shanghai

BY JAMES TONG

SHANGHAILANDERS displayed deep interest in Moral Re-Armament over the week-end, December 1, 2, and 3, on which days the movement for Moral Re-Armament campaigned for a hundred million people listening to God throughout the world. Hundreds of MRA posters have been displayed in the city. Newspapers and radio broadcasts have brought the message of new men and new nations to the attention of thousands who have hitherto been indifferent to or ignorant of the movement.

To say nothing of the days preceding and following, there were on the average more than six daily papers carrying news on MRA from Dec. 1 to 4. A number of them published feature articles commenting on MRA. Leading chemical laboratories and pharmacies contributed advertising space in various dailies announcing MRA broadcasts over local stations. The manager of a commercial station freely offered 45 minutes daily for programs on MRA. They were started towards the end of November and will be continued indefinitely. As a result of the week-end drive, the manager became so interested in the movement that he offered to give more time if necessary.

Newsreel Exhibited

As a sort of prelude ushering in the week-end campaign, a short newsreel of the Hollywood Bowl MRA Demonstration, released through the Metro-Goldwyn-Mayer Film Producers, was shown in one of the leading cinemas in Shanghai for six days. Thousands who went to the theater saw it and quite a few were interested in it.

Dr. Frank N. D. Buchman's world broadcast, "Moral Re-Armament: A World Philosophy Adequate for World Crisis," was read over one of the local radio stations on November 30, the eve of the week-end campaign.

"I am speaking today to the millions across the world who in these anxious days are increasingly looking to Moral Re-Armament as the one hope for the future," said Dr. Buchman.

From Crisis to Cure

"Nations must move beyond crisis to cure. A world philosophy is needed, a world philosophy capable of creating a new era of constructive relationships between men and nations. A nation's first-line defence is the character of her people. Moral Re-Armament stands for a prejudice-free level of living. It stands for a common denominator of immediate action for everyone above party, class, race, creed, point of view, or personal advantage. The morally re-armed have learned to live under a crisis-proof, fear-free discipline. The aim of M.R.A. is twofold: first, to restore God to leadership as the directing force in the life of nations; and then to work for the strengthening of morale within a country and so build a healthful national life."

Concluding his speech, Dr. Buchman asserted: "M.R.A. is the great revolutionary force. I was personally at war. An experience of the Cross made me a new type of revolutionary. M.R.A. teaches us to sacrifice for our country."

Moral Re-Armament and business, medicine, education, home, the youth, the Church were six themes on which a cross section of people both young and old spoke over two radio stations during the week-end, December 1, 2, and 3.

Dr. Tyau Speaks

"Moral Re-Armament is a world necessity," said Dr. E .S. Tyau of St. Luke's Hospital and St. John's Medical School. "Doctors, dealing with lives of all people, need to be morally re-armed first." Dr. Donald Farquharson of Lester Chinese Hospital, Dr. U. K. Koo of St. Luke's Hospital, Dr. Joseph King of Shanghai, and Dr. Phillipe Greene of Yale in Changsha were among others who spoke. All of them agreed on the necessity of curing moral and spiritual diseases as well as physical diseases. Dr. Greene was in Changsha when the city was burned and when the Chinese scored the recent victory over the Japanese. In face of tremendous odds brought about by the war, Dr. Greene has found renewed courage through the spirit of MRA to carry on his work in Hunan.

Climaxing the campaign over the week-end, more than a hundred people attended a meeting at the Bankers' Club, Shanghai on Dec. 3. Among those present were leading Chinese in business, the press, education, medicine, law, the Church, and others. Though coming from a wide cross-section of the community, people quickly got acquainted with one another and felt quite at home. Group singing and the way how people stood up and spoke honestly of the changes which came to their lives helped build up the family atmosphere.

Moral Re-Armament is only being started in Shanghai. Its program of new men, new nations, and a new world can be realized only when people are willing to measure their own lives up to the highest standards and drastically apply them in specific situations.

S.M.C. Anticipates Deficit Of More than $4,000,000

A net deficit of more than $4,000,000 will probably show on the books of the Shanghai Municipal Council for the current fiscal year, which ends on Dec. 31, according to a statement made public by the Council this week. The gross deficit has been estimated at $6,082,310.61, but revenues in excess of estimates are expected to bring in $1,950,397.22 before the year closes, thus leaving a net deficit of $4,131,913.39.

The seriousness of this deficitary figure is indicated by the fact that the budget estimates for the year provided for a deficit of only $2,323,780. In other words, the deficit will be nearly double the anticipated figure.

Japan's Attitude Toward General Chiang Kai-shek

By Lieut.-Gen. Rihachiro Banzai
(Member of the House of Peers)
Translated from the Nippon Hyoron

THE uppermost question now confronting this country is without doubt the solution at the earliest date possible of the China Incident. For there is nothing more regrettable than the fact that Japan and China, the two independent nations in the Far East which should be cooperating with each other, have been at daggers drawn for more than two years. And among various obstacles to the much-desired disposal of the Incident, the most important is that Chiang Kai-shek is not in a position to go about this ticklish task. So it is that Japan has no choice but to seek another responsible Chinese leader with whom she can negotiate on the matter.

Speaking frankly, an about-face in his attitude toward Japan by Chiang Kai-shek would be the greatest contributing factor to disposal of the China Affair. While the Japanese Government issued a statement that "Japan will have no dealings with the Chiang Kai-shek regime," because His Majesty the Emperor was later pleased to favor the policy of having Chiang repent of his reckless resistance and cooperate with us, our efforts have since then been directed toward none other than this direction. But if Chiang persists in his resistance, as he has been futilely doing, for some reason or other, then there is left for us no alternative than to answer him with force of arms.

A Needless Feud

Under such circumstances and believing that the feud is a needless one between the two countries, Wang Ching-wei came to the fore with his peace proposal. Now that he has completely severed his connections with the Chungking regime and has pledged himself to the cause of peace and national salvation, Japan naturally should extend unconditional assistance to him. But although Wang and his associates, based on the so-called orthodox principle of the Kuomintang, have declared themselves to pursue a policy diametrically opposite to that of the Chiang regime, the question which concerns us most seriously is: On what terms are they going to execute their avowed policy, and with what concrete measures?

At the sixth national congress of the Kuomintang held last August in Shanghai under the chairmanship of Wang, an announcement was issued to the effect that "one party dictatorship will be eliminated....Abandoning the former policy of befriending the Communists and antagonizing Japan, the orthodox Kuomintang will follow the opposite course, i.e. anti-Communist and pro-Japanese." It was further declared that the Three People's Principles as Wang and his colleagues espouse them today, differ widely from Communism, although they were considered as being little different from the latter ideology when Dr. Sun Yat-sen adopted a pro-Red policy some 15 years ago. Clarifying this point more explicitly, Wang asserted in his recent address that his political creed is strictly in line with the Pan-Asianism advocated by his teacher, Dr. Sun.

No Dictatorial Power

A new Central Government of China, expected to be set up before long by Wang and his friends, will not wield dictatorial power over non-Kuomintang circles but instead will discuss with them affairs of government toward overcoming the current emergency. Although it is undeniable that the campaign for the new central regime is making slow but steady progress, as far as I know, the alignment of personnel has not yet been completed. And the question still remains: Will the Wang faction be able to execute the revised policy of the orthodox Kuomintang to the letter and to attain the desired peace in cooperation with non-party circles?

Indications are apparently multiplying that the Chiang Kai-shek regime will continue its anti-Japanese policy. And Japan will be obliged, willy-nilly, to carry through her punitive operations. The inevitable consequence will be none other than that Chiang will play into the hands of the Soviet Union. To be frank, it may be difficult for Chiang to repose confidence in Japan, just as to believe his words is something unthinkable for Japan at the present moment. Be that as it may, we are prepared for everything to come, either continuation of the hostilities or economic and political collaboration. What we demand of Chiang is the abandonment of his anti-Japanese policy. But this is taboo for him, because it will stimulate an upheaval in his camp.

But if Wang's peace movement proves a success, followers of Chiang will change their minds one after another, thereby transforming the whole atmosphere at Chungking. Then, the British and French nations will follow suit and overhaul their policies toward the Far East. The Americans may be the last to come to recognize the actualities in the Far East.

"Will He Never Go to Sleep?"

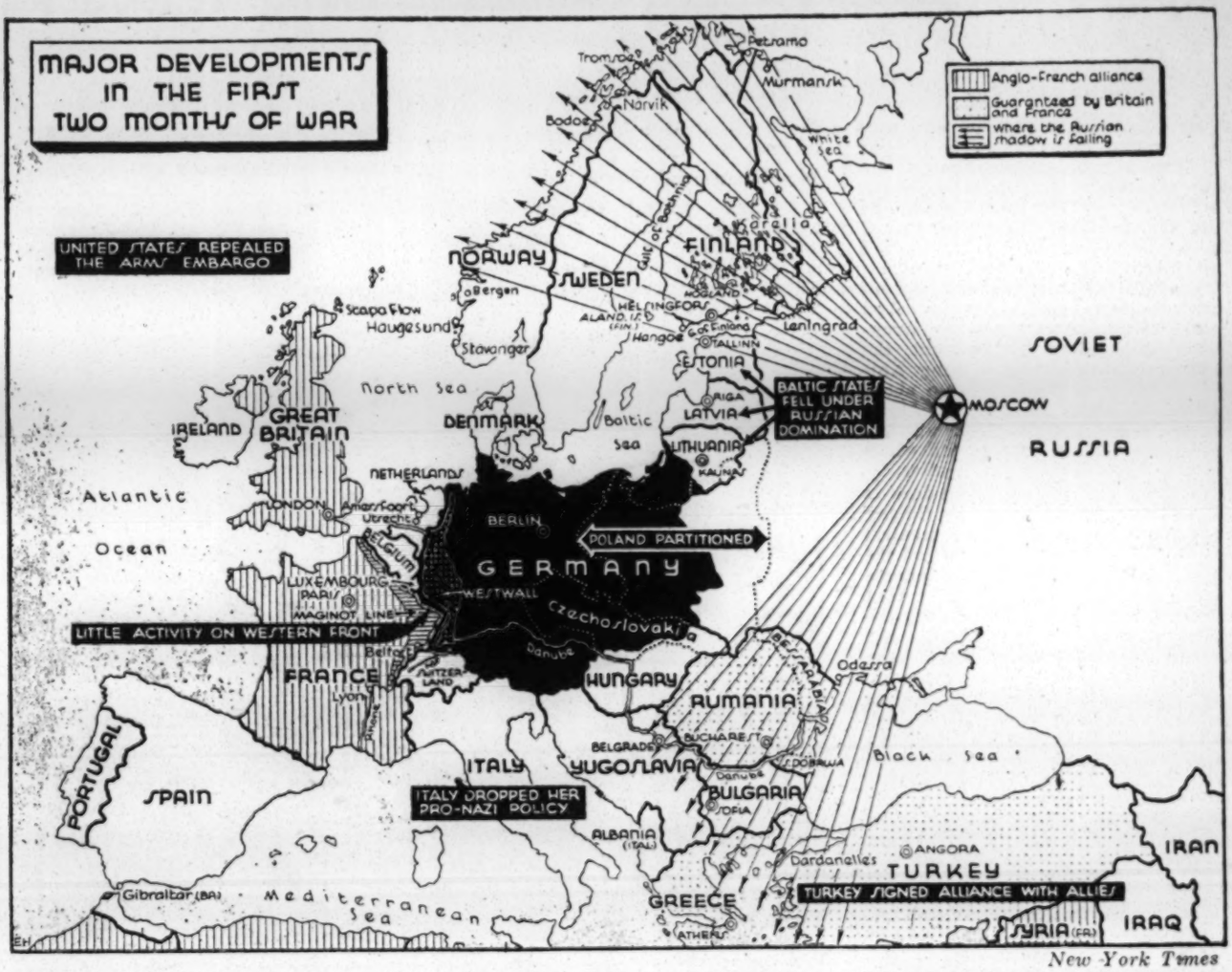
Thomas in the Detroit News

After America—the Soviets

If and when the Americans come to an understanding with us with regard to the China issues, there will remain the Soviets alone. Knowing far too well the nefarious intention of the Kremlin, we must at any cost be in constant preparation against any exigency.

When I had an interview with Wang some time ago, he also said that overthrow of the Chiang regime is essential for the success of his movement. As to the structure of the proposed new Central Government,

Moscow Dominates European Situation at Year's End



New York Times

I presume that its personnel has not yet been lined up completely, as already mentioned in the foregoing. The personnel question is indeed the hardest problem facing the Wang faction. There are not a few Chinese leaders, equal to key posts of the new regime to be created, in and outside the Kuomintang. Even Wang and his following may well be able to set up a new administration, where its personnel is concerned. If outsiders of great influence are invited, comparison will necessarily have to be made between them and Kuomintang members. And the question will become all the more delicate and complicated. In this light, one may say that although the play of the proposed new Central Government has already been written by Wang the author, the casting of actors still remains to be made later. To my way of thinking, this is a question of the entire Chinese, and will have to be solved once for all at a national congress to be held some time in the future.

There is another question similarly important in nature: What kind of a national flag should be adopted by the new Central Government? I believe that Japan should not interfere with such an internal question. Further, the solution of this issue is not at all a burning necessity at the present moment.

In connection with the establishment of the Central Government in China, the idea of a new order in East Asia, as enunciated by Prince Fumimaro Konoye in the capacity of chief executive of this country, will once again come in for serious attention. We Japanese have of course no opposition to this proposal. The question is, however: What effects will this scheme have upon the mind of the Westerners, particularly the British and the Americans? What the proposed new order really is, even we Japanese do not know exactly. Everybody interprets it in his own light. What is regrettable in this regard is the fact that there are not a few fellow-countrymen who entertain such notions on it as are liable to be misconstrued, intentionally or unintentionally, by foreigners.

Since we have suffered a material loss due to our military operations in China, it is not a surprise if some of the Westerners, who are deeply imbued with utilitarian ideas, will suspect something in our avowed policy of non-indemnity and non-concession announced by Prince Konoye. We well know that the loss we have sustained may not be redeemed fully in our generation. But because our State will enjoy an eternal life, we are ready to endure all the privations and hardships confronting us today. To inculcate this kind of reasoning into the mind of the people is indeed a difficult task, but is not in the least an impossible one.

Concerning the question of an East Asia cooperative unity, one of the popular subjects of heated discussion among our publicists and critics, as well, we have made no exact definition. What we will and must do is to direct our whole energies toward this goal in accordance with His Majesty's will embodied in his Rescript, the supreme criterion for us to define our China policy, the new order in East Asia, the cooperative unity and everything.

One word more about our favorite terms, such as *Kwodo Seishin* (the spirit of the Imperial Way) and *Hakko Ichiu* (the world is one family, or world-familyism). Although we Japanese are well aware of their true meaning, these idealistic expressions are often misconstrued by foreigners even as something akin to aggressionism. I myself think that we had better refrain from frequent quotation of such catchwords which are everything to us but something unfamiliar to foreigners. We are born and brought up in the spirit of *Kannagara-no-Michi* (Way of the Gods, or Shintoism). It is not only unreasonable but impossible to force this national creed upon the Chinese, let alone the Westerners. Because this is not a "way" to be forced on any aliens, its perfunctory application to the disposal of the China affair, as proposed by some of our unthoughtful fellow-countrymen, is tantamount to its profanation.

Military Academy Inaugurated by Wang Ching-wei

COINCIDENT with the presistent Japanese propaganda on alleged dissension within the Chungking Government, fresh bids for power are being made by Wang Ching-wei. As a step towards the creation of a puppet army for his long-projected government, Wang has organized a Military Affairs Council and a Central Military Officers' Training Academy in Shanghai.

Meanwhile, apparently under the pressure of their Japanese masters, the Peiping and Nanking regimes are also making a move designed to facilitate Wang's government-forming plans. A meeting of officials of the two regimes is scheduled to be held at Peiping this week-end to discuss their final attitude towards the planned Wang administration.

Wang Addresses Cadets

With Wang himself as president, the so-called Central Military Officers' Training Academy was inaugurated at a ceremony held in Kiangwan on Dec. 9. Addressing the cadets, numbering about 1,000, Wang praised Javan for not adopting the attitude of victor towards China and for respecting China's independence and liberty, following this up with an attack on Chinese Communists and Gen. Chiang Kai-shek.

Wang urged the puppet officers-in-the-making to put into practice the principle of "National Reconstruction through Peace and Anti-Communism," which is the basic policy of his peace movement. He also asserted that "The Central Military Academy is the foundation of a modern army in a modern state and must not allow itself to be utilized to maintain a personal dictatorship."

If *Domei* is to be believed, no Japanese officials were present at the inauguration of the academy. The ceremony was said to be an all-Wang affair attend entirely by his cohorts. Among those attending there were a few new names which appeared for the first time as having joined Wang's peace movement. They included Chen Kung-po, one-time Minister of Industry and Railways of the National Government; Gen. Yeh Peng, former garrison commander of the Wuhan Cities; Gen. Pao Wen-yueh, formerly a subordinate of Gen. Chang Hsueh-liang. Gen. Yeh Peng has been made dean of the academy and will be in charge of the training of the officers. Incidating that he has definitely thrown his lot with Wang, with whom it was at one time reported that he disagreed regarding the peace movement, Chen Kung-po delivered a speech as the representative of the Central Executive Committee of the "Orthodox Kuomintang." The contents of the speech, however, were not divulged.

Four Battalions Planned

According to present plans, cadets at the academy will be formed into four battalions. One will be devoted to political training and consist of college graduates. The other battalions are to be composed of officers who served under Gen. Chiang Kai shek. All cadets will undergo two years' training.

In an attempt to cover up the failure to set up the new puppet central regime, Chou Fu-hai, former minister of publicity in Chungking and leading supporter of Wang Ching-wei's peace movement, denied as irresponsible the various reports that the regime was scheduled to be inaugurated on Oct. 10, Nov. 12 or Jan. 1, 1940. Chou asserted that the peace movement led by Wang does not aim primarily at the establishment of a new government, the organization of which forms but one of the stages of the peace movement. Said he: "The establishment of a new Central Government is not a question of time but a question of terms. If the terms are conducive to the salvation of China, we should proceed immediately. Otherwise, we shall never attempt to do anything of that sort."

Chou's statement is much more than a mere explanation of the failure to form the new regime, because it not only reveals serious differences between Wang and his Japanese protectors regarding the degree of independence of the planned organization but also attempts to prepare the Chinese public for sacrifices to Japan. While expressing confidence that the projected regime will benefit China or at least will not harm China, Chou admitted that readjustment of Sino-Japanese relations under present conditions may result in "some sacrifices on the part of China." He indicated such sacrifices are inevitable, because "China has lost control over things."

Nothing to Give

In an attempt to justify the sacrifices hinted at, Chou said: "What China can strive at is only to get back what she has lost; she has nothing to give in return. Therefore, even should the establishment of the central government not directly benefit China, it certainly cannot harm her in her prevailing condition." Judging from Chou's remarks, Wang Ching-wei and his crowd are preparing to make a deal with the Japanese at the expense of China in order that they may satisfy their lust for power and puppet glory. Mr. Chou apparently ignores the point that any organization established under the sufference of the enemy cannot benefit China directly or indirectly, and not to benefit China is to harm China because any new political set-up serving Japanese interests must necessarily be detrimental to the cause of national salvation.

While Japanese sources continue to circulate alarmist reports of an imminent clash between Chungking and Yunnan, Kuomintang-Communist friction is also represented as growing worse and ramifying into various provinces. A vanguard unit of the Central 26th Group Army under Gen. Chen Cheng was alleged to have crossed the border from Kwei-

Puppet Military Academy Inaugurated

Press Union photo

A "Central Military Academy" organized under the direction of Wang Ching-wei, was formally inaugurated at a ceremony held in Kiangwan (Shanghai) on Dec. 9. To give the new institution the appearance of being an all-Chinese affair, Japanese Army officers made themselves conspicuously absent, leaving the ceremony to be observed exclusively by Wang and his puppet encourage. Picture shows, left to right, in the front row, Dr. Chu Min-yi, Chou Fu-hai, Wang Ching-wei and Chen Kung-po. At the ceremony, Chen Kung-po revealed himself for the first time as an adherent of the puppet Wang Ching-wei clique.

Youthful Amazons of Free China

Photos by Thomas Kwang

The famous Liangkiang Girls' College of Physical Education, bombed out of existence by the Japanese at Shanghai in 1937, is continuing its work in the mountain gorges surrounding Chungking, China's present war-time capital. The healthy, happy "Miss Free China" pictured in the center inset, and her singing companion shown immediately above, contrast sharply with pale, sheltered Chinese beauties of the treaty ports. Sun-tanned and strong, they are trained to endure hard work and physical hardship as future defenders of their country. In the picture at top, right, some of the Liangkiang girls are seen converting muddy hill trails into paved paths. They start their day by rising at 5 a.m. for physical drill, as shown in the picture below.

chow into Yunnan and Gen. Lung Yun was said to have mobilized all Yunnan troops to resist the "Chungking invasion." Besides demanding the "immediate withdrawal" of Central troops from Yunnan, Gen. Lung allegedly rejected Gen. Chiang Kai-shek's invitation to go to Chungking to accept appointment as minister of interior and member of the Military Affairs Commission. The Yunnan governor was also represented to have urged Gen. Chiang to oppose the Soviet Union and Chinese Communists and to seek rapprochement with Britain, France and the United States. Belying these Japanese allegations which were contained in reports circulated by *Domei* on Dec. 6 and 7, no serious developments have occurred despite the laspe of more than a week.

Provincial Dissatisfaction

Alleging that serious differences have developed between Chungking and provincial factions over the anti-Communist issue, *Domei* reported that dissatisfaction is mounting in Kwangtung, Chekiang and Shantang. Dissension between Gen. Yu Hanmou's group and the former "Ironsides Army" under Gen. Chang Fah-kwei was said to be assuming serious proportions. Gen. Chang was reported to have tendered his resignation to Chungking as commander-in-chief of the Fourth War Zone and to have proposed reorganization of the Kwangtung Provincial Government. Gen. Yu, according to the Japanese, is aspiring for the supreme command in the Fourth War Zone and also the chairmanship of Kwangtung.

Meanwhile, ill-feeling was also said to be prevailing in Kwangsi province between Gen. Pai Chung-hsi's faction and that of Gen. Huang Shaohsiung, a Kwangsi military leader who is now chairman of Chekiang. Concerned over the situation in Kwangsi, Gen. Li Tsung-jen reportedly has proposed to Chungking to appoint Gen. Li Chi-sen, veteran Kwangsi leader, now inactive at Chungking, as Commander-in-Chief of the South China War Zone.

Alleged Clash in Shantung

In Shantung, a clash between the Government troops and units of the 8th Routh Army was alleged to have occurred. *Domei* claimed that about 1,000 Central troops led by Gen. Tien Chia-ping in western Shantung were surrounded by 2,000 Communist troops under Gen. Chen Kuang and defeated after two days of fighting. Admiral Sheng Hung-lieh, chairman of Shantung and Commander-in-Chief of the Government troops in Shantung was said to have reported the incident to Chungking, allegedly charging the 8th Route Army units with illegal requisitioning of supplies and collection of taxes. Besides ordering an immediate halt to the fighting, the National Government was reported to have instructed Gen. Yen Hsi-shan of Shansi to investigate the situation and settle it amicably.

Allegedly acting on secret orders from Chungking, Gen. Huang Shaohsiung, chairman of Chekiang, has launched an anti-Communist campaign. All young men suspected of being engaged in Communist activities were ordered to be arrested.

Red Influence Growing

Meanwhile, Japanese reports asserted that Communist influence in the Northwest was steadily growing, following the reported withdrawal of Communist troops from Shansi. Rivalry was reported to have been aggravated between the government troops under Gen. Hu Tsung-nan in Shensi and the 8th Routh Army over the extension of the latter's influence in the Northwest. Gen. Chiang Ting-wen, director of the Generalissimo's headquarters at Sian, was said to have wired Chungking for instructions concerning measures to be taken against the Communists.

Not content with their attempt to create a "New Order" in East Asia, ambitious Japanese warlords, including Gen. Iwane Matsui, former commander-in-chief of Japanese forces in Central China, and Admiral Suetsugu, former commander-in-chief of the Japanese Navy, have organized what is known as the "National League for Constructive Work in the Far East," the aim of which, *Domei* reported, is not only the inauguration of a "New Order" in the Far East but also in the whole world. The new organ also pledges itself to combat the socalled *status quo* powers.

The rumor circulated by *Domei* for the several weeks that Gen. Ho Yao-tsu, newly-appointed Chinese ambassador to Moscow, had been given a frigid reception by the Kremlin leaders, was exposed by a dispatch from Chungking. A Foreign Office spokesman officially denied that Gen. Yang Chih, the incumbent ambassador, had resigned and Gen. Ho appointed as his successor. Gen. Ho, who had been reported in Moscow, did not leave the Chinese capital until Dec. 5, when he boarded the Junkers plane "Chungking" on the inaugural flight of the new Sino-Soviet airline. Official aircles in Chungking pointed out that Gen. Ho was flying to Moscow on a special mission for the Chinese government but not in the capacity of new Chinese ambassador.

League Assembly Session

Much speculation was caused in Japanese circles as to China's possible action in connection with the present session of the League of Nations Assembly in Geneva. Japanese reports alleged that the Chinese government was preparing to lodge an appeal with the League for mediation in the Sino-Japanese conflict, but this has not been substantiated. In order not to prejudice China's relations with Soviet Russia, it was reported that the Chinese Foreign Office had cabled instructions to the Chinese delegation at Geneva to abstain from voting in connection with the League Assembly's possible action in expelling Soviet Russia from the League. This alleged attitude of China, Japanese reports claimed, had aroused the resentment of Britain and France who were said to regard China's abstention from voting as an evasion of her obligations as a member of the League Council.

How He Lost His Face!

New Masses, N. Y.

Japanese diplomat (center): "Meet our General who announced six months ago that the new Wang Ching-wei government would be formed immediately."

Mourning the sudden death of Marshal Wu Pei-fu, China's warrior—poet, the entire nation has paid him tribute as a man of noble personality and sterling character. Besides conferring upon him the posthumous honor of "General of First Rank" and ordering an appropriation of $10,000 for his funeral expenses, the National Government has issued a mandate commanding him for his loyalty and patriotism. Referring to Marshal Wu's steadfast refusal to join the enemy and head a puppet regime despite intimidation and cajolery, the mandate said that his integrity of character has won the admiration not only of the Chinese people but also of the entire world. Speaking of his personal virtues, the mandate stated that his hatred of evil and love of righteousness had contributed greatly to the promotion of public morals.

Messages of Condolence

Personal messages of condolence were sent the Wu family by many government leaders, including Gen.

Chiang Kai-shek, Gen. Ho Ying-ching, Dr. H. H. Kung, Dr. Wang Chung-hui and Mr. Yu Yu-jen.

The Japanese and their puppets also joined in praising the noble character of the late Marshal Wu. Expressing deep admiration for the Marshal, a Japanese spokesman at Peiping admitted that his death was a "great loss to Japan." The Japanese, he added, regarded Marshal Wu as one of the most able and most upright of Chinese generals.

The *Japan Times*, in paying a tribute to Marshal Wu, said that he was a statesman and whatever might be said of his plan of action he had his own politcal program for consolidation of his country and promotion of the welfare of the masses. By his death, the *Japan Times* commented, "China has missed a great figure who might have relieved the suffering people."

Many Japanese leaders including Prince Konoye, former premier, and the leader of the Seiyukai Party, sent messages of condolence to the family of Marshal Wu. Lt.-Gen. Hayao Tada of the Japanese Army in North China personally visited the Wu residence to pay the late Marshal tribute.

Although Marshal Wu had disappointed them in their plan to make a puppet of him, officials of the Peiping regime also seized the opportunity to honor his memory. A sum of $20,000 was appropriated to cover the expense of his funeral and another sum of $1,000 was given to his family. In addition, they appointed a delegation headed by Chi Hsueh-yuan and Tang Er-ho to assist in handling arrangement for his funeral ceremony.

Although Marshal Wu died without leaving a will or a statement to the nation, Wu Tao-chih, his nephew and adopted son, who had been attending his father during his illness, declared that the Marshal had always in mind the welfare of the nation. Marshal Wu was quoted as having said: "I have been serving the country for more than 40 years, and realizing the duties of a soldier, I have been firm in upholding the rights of the country and in keeping intact China's integrity."

The Chinese press has given unstinted praise to Marshal Wu. The *Shun Pao* said, "Marshal Wu is dead, but his spirit is alive and his deeds will adorn the pages of Chinese history. His unshakable personality and integral character cannot be overpraised."

Marshal Wu's sudden death came as a shock to Chungking and aroused a suspicion of foul play. In an article entitled "Wu Pei-fu Murdered by Enemey Doctor," the *Central Daily News* accused the Japanese of killing the Marshal, because his death followed shortly after a "mysterious operation" by a Japanese surgeon.

Terrorist Victim Honored

Yi Kwang-yen, late chairman of the Chinese Chamber of Commerce in Thai, who was murdered last month at Bangkok by pro-Japanese terrorists, was honored by the National Government in a mandate of commendation. The mandate said that the late Mr. Yi was noted for his loyalty and patriotism and his death was greatly regretted. Mr. Yi was believed to have incurred enmity because he had raised large contributions in Thai for China's war chest.

Confidence of continued Russian, British and French aid to China in her resistance against Japan was expressed by Dr. Hu Shih, Chinese ambassador to Washington, in a speech before the Foreign Policy Association in New York last Sunday. Despite Soviet gestures for a trade agreement with Japan, Dr. Hu said, "to this day there has not been an indication that the Soviet will abandon its policy of assistance to China." Referring to the reduction of the British and French armed forces in North China, Dr. Hu declared that he was reasonably confident that both Britain and France would not betray or desert China during her fight for existence and independence. "Such a betryal of China by the democratic powers would emphatically belie all their professed war aims and peace aims," Dr. Hu asserted.

Kuangson Young Speaks

Speaking in Manila at the convocation of the Far Eastern University, Dr. C. Kuangson Young, Chinese Consul-General in Manila, asserted that China is today better equipped and better organized than before the Japanese invasion began. "For more than 28 months," Dr. Young said, "China has stood up against terrific odds, but she has remained standing. The principal reason for her success is her own power of unity and determination."

A resolution expressing "profound admiration for the heroic resistance of the Chinese people and the great victories of the Chinese Army in their war against aggression" was passed by the British National Committee of the International Peace Campaign and communicated to the Chinese government.

Gen. Chiang Kai-shek, who was elected president of the Executive Yuan at the recent 6th Plenary Session of the Central Executive Committee of the Kuomintang, was sworn into office on Monday of this week.

A successful operation was performed on Madame Chiang Kai-shek for sinus trouble on Dec. 7 by Dr. H. Talbot, well-known British surgeon who flew from Hongkong to Chungking especially for the operation. Sinus trouble is said to be prevalent in Chungking, where the weather is cold and damp.

Sun Fo Returns

Sun Fo, president of the Legislative Yuan, who had been away for the past ten months on a special mission of the National Government to Soviet Russia and other European countries, returned to China on Monday of this week, travelling by air, according to a message from Chungking.

Henri Cosme, French Ambassador to China, was honored at a reception given by the People's Foreign Relations Association at Chungking last week, when he was also paid a countesy visit by Gen. Wu Te-chen, director of the Overseas Department of the Central Party Headquarters.

Kiang Kang-hu, self-cliamed leader of China's Socialist Party and supporter of Wang Ching-wei's peace movement, arrived in Japan on Monday of this week on a tribute-bearing visit, according to Japanese report from Tokyo. Kiang declared that he was assisting Wang Ching-wei in the establishment of a "New Order" in East Asia.

Nantao Gates Reopened, But Passes are Needed

Gates leading into the city of Nantao from the French Concession were thrown open on Dec. 11 for the first time since their closure following the withdrawal of Chinese forces from Shanghai in 1937.

A small crowd of Chinese, mostly of the coolie class, streamed into the city from Frenchtown. Each of them presented his pass as he entered. People leaving Nantao, however, required to produce no pass as they entered the Concession. Chinese quarters report that among those who passed through the gates into Nantao were people virtually driven there as a result of the high cost of living in the foreign-administered areas. They were said to have been informed that rice was being sold there at less than $30 per picul, while all other food products were cheaper.

Included in the crowd was also reported to be a number of gambling house operators who for several weeks had awaited the opportunity to obtain quarters in Nantao for the convenience of people in the business districts in the Settlement and Concession.

The pass used by people entering the native city is issued by the Japanese authorities.

Troops Sent to Nantao?

Chinese press reports early this week said that 9,000 Formosan and Manchukuo soldiers had been transferred to Nantao from Wuhu on Dec. 7 and 8. They were said to be clothed in shabby uniforms and sorely in need of winter clothing. Former school and guild buildings in Nantao were accomodating the new arrivals, it was stated.

The number of Chinese who had returned to Nanking by Dec. 1 was 569,039, forming 135,027 households, according to the Shanghai *Mainichi*. These figures are increases of 16,761 and 2,624 over those of the preceding month, the paper said.

French Police Seize 150,000 Copper Coins

More than 150,000 copper coins, a monetary species practically extinct in Shanghai and vicinity, were detained by the French Police on Monday when they searched a private motorcar on Rue Baron Gros.

Two occupants of the motorcar were searched, and, noting several trunks in the car, the police asked to be permitted to inspect their contents. The two Chinese occupants hemmed and hawed, but, on the strong insistence of the police, finally produced the keys.

The trunks were all loaded to the brim with copper coins and the occupants of the ear were detained for questioning.

Copper coins disappeared from the local market with the fall in value of the Chinese dollar. When the value of the dollar became such that 100 copper coins were worth far more as metal than the dollar, Japanese here collected the coins and shipped them to Japan in huge quantities, selling them at handsome profits.

Our Navy Now and in Prospect

By Lieut.—Commander Bernard L. Austin, U. S. N.

(*American Foreign Service Journal*)

THE maintenance of close contact between the diplomatic branch of our government and the armed forces is conducive to the proper fulfilment of their respective duties. In a world which unhappily persists in respecting might more than right, the nation's military and naval forces are both suplementary and complementary to the diplomatic service.

It is in keeping with the object and spirit of Navy Day that the *Foreign Service Journal* devotes its October number to a furtherance of that mutual understanding between our two services which promotes our common charge, the public interest. On this eighteenth Navy Day, observed on October twenty-seventh, birthday of the ardent Navy supporter Theodore Roosevelt, the Navy is at home to all citizens who would improve their acquaintance with the organization which defends our sea frontiers.

Preparedness is Necessary

The facts upon which are based our need for a navy are well known to those of the Foreign Service. The chaotic condition of world affairs which makes it necessary to be prepared against various uncertainties is to them an open book. In this article it is intended to present facts which, projected against a background of comprehensive general knowledge, will give a clear understanding of our Navy's condition now and in prospect.

Much has been said about our billion dollar naval building program, rotogravure sections have depicted the launchings of new ships, and imposing figures have appeared in print about our naval rearmament. But figures are often misleading or confusing unless one has a basis for evaluation. In a democracy such as ours, it is highly important that such a basis be made available, for otherwise the people who determine national policies and provide the means for national defense can hardly be expected to take timely and adequate steps to avoid grave mistakes.

Strength of the Navy

It is one thing to know that we have 546 operating vessels in our Navy and another to know that only 348 of this number are commissioned naval vessels. Some of these 348 can hurl a broadside of 19,000 pounds of steel whereas others can only deliver a 13-pound shell. Strictly speaking, only 236 of the 348 are fighting types and of these 236 fighting craft but 131 are under-age ships. In addition to the operating vessels we have 138 decommissioned fighting craft which, in an emergency, could be put into service. All of these are over age, 110 being destroyers and 28 submarines of World War vintage.

Let us now consider each fighting type, beginning with the battleship. It is a large armored ship mounting guns greater than eight inches in caliber. This type combines the greatest concentration of fighting strength and power of survival possible in one hull. Naval experts are in general agreement that battleships are the backbone of naval power. Admiral Leahy, recently retired Chief of Naval Operations, has said that "a fleet of which battleships are the main element of strength, is the only certain means of repelling an attack by existing foreign navies before they could reach our shores, in either ocean, and it is the only certain means of bringing a war to a successful conclusion."

There are 15 battleships in our battle line. The normal useful life of this type is 26 years. On this basis, one of our fifteen is already over age, two will become over age next year, and four more in 1942. Thus we are confronted with the fact that one-half of our battle line is obsolete. Looking at the other half, our two newest battleships are sixteen years old, the next two eighteen and the rest still older. In brief, we have but one battleship which was designed after the World War. Ten of our battleships have been modernized but it is patent that modernization of an old ship does not make it the equal of a new one.

The Foreign Navies

Great Britain has two new battleships completing in 1940, two more in 1941, and she already has two post-Jutland ships in her battle line. Germany, France, and Italy likewise have new battleships, but it is not believed that Japan will complete her first new vessels of this type before late 1941. Relatively, we have no cause for alarm over the condition of our battle line, for in total power no nation is comparable to our strength except the British.

The aircraft carrier is a comparatively new type, requiring high speed and having little defensive armament. We have five under-age carriers with a plane capacity of approximately 450 planes. With the exception of the *Lexington* and *Saratoga* which were converted from battle cruiser hulls, our carriers are of modern design. A sixth carrier is nearing completion and a seventh has been laid down. Britain is well ahead of us in the number of carriers, having nine built and seven building. Japan is about equal and France and Germany are well behind. Italy has none.

In all, our naval plane strength is now about 1,500 operating planes plus 600 spares and reserve planes. Our present program is designed to reach 3,000 by the end of 1944. Each battleship and cruiser carries scout observation planes launched from catapults. Our large patrol planes are operated from tenders and strategically located bases. We have such

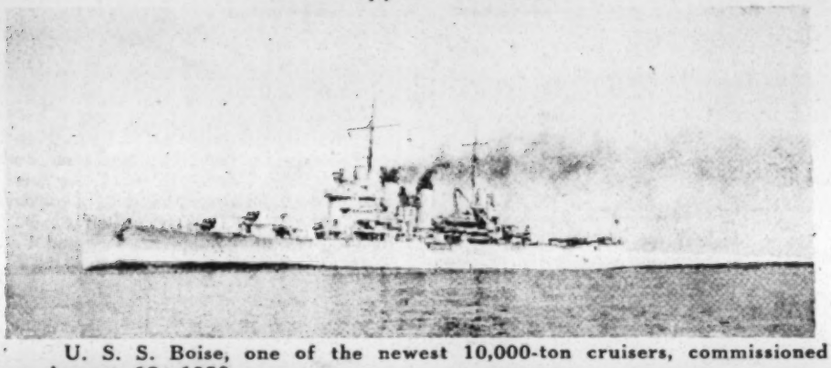
Men of the United States Navy

Hon. Charles Edison, Acting Navy Secretary.

Admiral Harold R. Stark, Chief of Naval Operations.

Major-Gen. Thomas Holcomb, Commandant of the Marine Corps.

Latest Type of Cruiser



U. S. S. Boise, one of the newest 10,000-ton cruisers, commissioned on August 12, 1938.

bases at Norfolk, Virginia; Panama Canal Zone; San Diego, California; Pearl Harbor, Hawaii; and Sitka, Alaska. The last Congress authorized additional base facilities at Kodiak, Alaska; Sitka, Alaska; San Juan, Puerto Rico; Pensacola, Florida; Banana River, Florida; Tongue Point, Oregon; Norfolk, Virginia; Palmyre Island; and Pearl Harbor, Hawaii. Work has actually been started on the last five of these bases and should be completed in three years.

Cruisers are of two kinds, classified by treaty as Class A. and Class B. The Class A. mount guns not exceeding eight inches in caliber and the Class B. not exceeding six inches. The eight-inch gun cruisers are commonly called "heavy" and the six-inch, "light" cruisers. We now have 18 of the heavy type and are restricted by treaty from building more until 1942. All of these are under-age, as are the 19 light cruisers in service. This gives us a total of 37 under-age cruisers built, with six light cruisers building.

Lead in Heavy Cruisers

We lead all nations in number of heavy cruisers, but trail Great Britain and Japan in the light cruisers.

The destroyer, fleetest of all seagoing naval types, has a speed of over 35 knots or 40 miles per hour. Its primary weapon is the torpedo, but it is also provided with five-inch dual purpose guns and carries depth charges for anti-submarine use. It is a very versatile type, being well-adapted for convoy escort and for screening, scouting, and search missions. In a major fleet battle, groups of destroyers are used to make swift torpedo attacks on groups of larger ships.

With 55 under-age destroyers, our fleet has fewer than any naval power except Germany. As a result of this situation, we have retained in service 66 over-age destroyers, giving us a total in commission of 121. Out of commission but capable of being put back into service in emergency are 110 more over-age ships, giving a total available for war use of 231.

World War Program

It is interesting to recall that upon our entrance into the World War we had only 52 destroyers and that we immediately embarked upon the greatest destroyer building program in history. Two hundred and seventy-five ships of this type were ordered and the utmost effort was made to speed their construction. An all-time record was made when the U.S.S. *Reid* was commissioned 56 days after its keel was laid in the Squantum plant of the Bethlehem Steel Co. But despite all that could be done, only 44 new destroyers could be added to the fleet before the armistice on November 11, 1918. Of these 44, only 22 had been started during the war, and only 12 of the 22 were completed in time to engage in war duty. This is an eloquent example of the futility of depending on building naval vessels after a conflict is imminent. We urgently needed 275 destroyers and we could produce only 24. Even the Eagle boats, which Mr. Ford exerted such great effort to produce rapidly, came too late. The largest type of craft that could be turned out quickly and in quantity was the little 110-foot wooden sub-chaser.

We come now to a consideration of the submarine, that dreaded war craft which operates under the water as well as on its surface. The primary weapon of this type is the torpedo, but for surface use against lightly armed ships and aircraft the submarine has a gun mounted on deck. Due to its small reserve buoyancy, however, the submarine is at a distinct disadvantage in a gun duel. Invisibility is the submarine's greatest asset and makes it very useful in certain forms of scouting and patrol duties. As a raider of commerce we know it best and dread it most.

Few Submarines in Service

The normal useful life of the submarine is thirteen years. Of all navies we have the fewest under-age boats in service, the number being 24 as compared to Great Britain's 44, France's 76, Italy's 98, Germany's 50, Russia's 134, and Japan's 44. Counting our over-age boats, we have a total of 58 in commission and 28 out of commission but capable of use in emergency. There are in all navies about 700 submarines in service and all nations are continuing to build this type at a rapid pace.

Looking at the whole picture, our naval forces available for duty now are in point of numbers second only to those of Great Britain and stronger than those of any other one nation. The battle efficiency of our Fleet and the training and morale of our men are in the opinion of Admiral Leahy unequalled by any major naval power. This is more of a tribute to the men behind the guns than to our foresight in providing timely replacements for worn-out units of our fleet.

Let us face the facts of our naval rearmament program. In 1933, the President allocated U.S. $238,000,000 from emergency funds for construction of 32 ships. The last of this group was completed in 1938. The Congress took action in 1934 by the enactment of the Vinson-Trammell Act which authorized building up to treaty limits allowed us. Under this act, 94 ships have been laid down, 45 of which are in service and 49 of which are still building. Urgent needs for auxiliary vessels was partially provided for in the Act of July 30, 1937, under which six ships are still building. The Naval Expansion Act of May 17, 1938, referred to as the billion dollar program, has resulted in the addition to the fleet of but two oil tankers and they were purchased ready built. Thirty-four combatant ships have been laid down under this program but the first will not be ready for service before 1940. This program will probably not be completed earlier than 1944.

179 Ships Laid Down

To summarize, we have laid down since 1933 a total of 179 new naval vessels, of which 89 have been completed and 90 are still building. Averaging over the six-year period, our shipbuilding industry has pro-

Long-range naval coast defense gun.

duced 15 naval vessels per year. The rate of completion is increasing slowly as shown by the fact that 17 new ships were placed in commission the past year, but our fleet will not be up to authorized strength in under-age ships until 1944, unless we resort to emergency methods. When we reach our present goal in under-age tonnage, we will have the following number of under-age ships.

18 battleships
45 cruisers (or thereabouts)
150 destroyers
56 submarines
8 aircraft carriers
3,000 airplanes

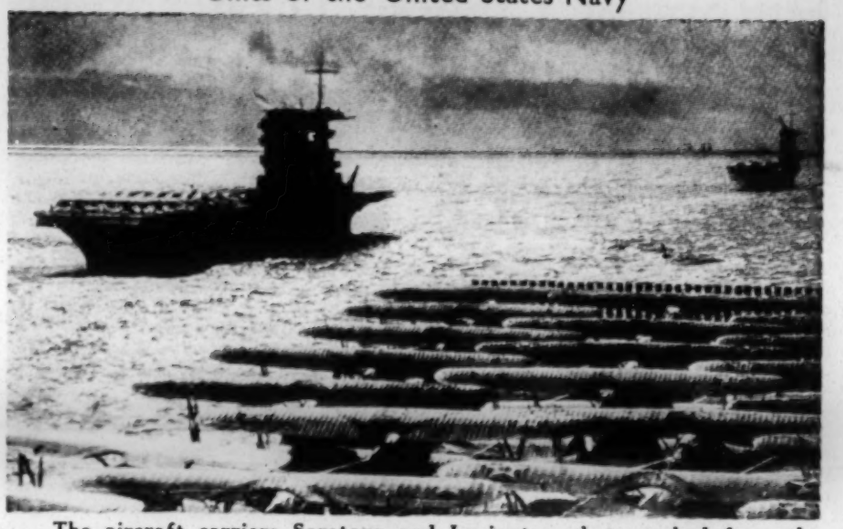
Our naval forces are at present maintained in strategic concentration on the west coast, with the following exceptions: Our Asiatic fleet of 36 miscellaneous ships is based on Manila. The Atlantic Squadron, composed of three battleships, one training ship, one aircraft carrier, four heavy cruisers and 19 destroyers, operates in the Western Atlantic. The Special Service Squadron of two gunboats and two destroyers bases on the Canal Zone and cruises in Central and South American waters. Our temporary European Squadron of one light cruiser and two destroyers is normally in Mediterranean ports. We maintain shore-based submarines at Pearl Harbor, Panama, Canal Zone and New London, in addition to those with the Fleet.

Building the Merchant Marine

Although the fleet is the *sine qua non* of sea power, it is not the only factor. An adequate merchant marine, a trained reserve, and strategically-located bases properly equipped to service the fleet are important elements of sea defense. The Maritime Commission is fast supplying the deficiencies of the merchant marine, having laid down 86 ships totalling over 1,000,000 tons. The trained naval reserve now numbers 14,060 officers and 41,985 men. This compares with 977 officers and 12,407 enlisted militiamen and reserves in service on April 6, 1917. In bases we are now deficient. Having a one-ocean navy with a two-ocean coastline, it is necessary to have adequate base facilities in each ocean for the entire Fleet. Our dry-dock facilities are now being expanded on both coasts and in Hawaii. As mentioned above, additional air and submarine bases are already under construction. But our system of bases is still short of fleet needs as recommended by the Hepburn and previous boards, and a fleet without adequate advanced bases is like a watchdog on a short leash.

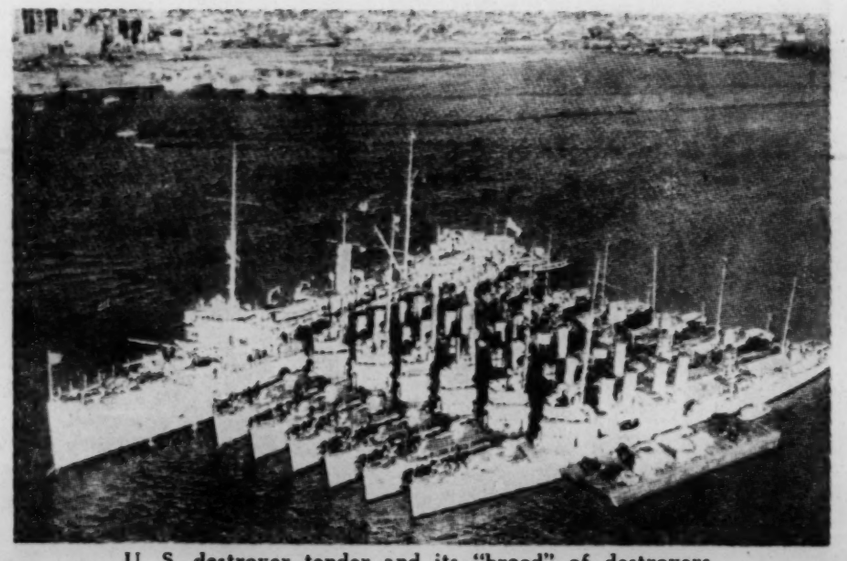
The cold facts as set forth show clearly that we are on our way to the achievement of a Navy that will postively defend this country from aggression, protect our commerce and our policies, and ensure security for our homeland. May the peace be preserved for us in a war-torn world. May the ends of American diplomacy ever prevail. But should diplomatic negotiations become bankrupt and the "first line of peace" break down, then the Navy, the first line of defense, will assuredly be ready.

Units of the United States Navy



The aircraft carriers Saratoga and Lexington photographed from the deck of another carrier, the U. S. S. Ranger. Another, the U. S. S. Langley, is now at Manila.

U. S. Navy scout observation planes.



U. S. destroyer tender and its "brood" of destroyers.

History of Chinese Theater in the Making Seen in Recent Stage Show

BY AVERIL TONG

Editor's Note:—The writer of this article, pupil of the famed Mei Lan-fang, was a member of the Chinese dramatic troupe which toured the United States a year ago under the auspices of the American Bureau for Medical Aid to China. The play of which she writes, as reported in the last issue of The Review, has been playing at the Aloha Theater on Avenue Edward VII, and was objected to by the Japanese on the ground that it is anti-Japanese. The Domei report of Japanese "indignation" erroneously described the performance as a film, whereas it is a stage play.

It is difficult to find a real point of comparison between the stage art of the Occident and that of the Orient. Although many of China's plays of the medieval period have been preserved, the emergence of a drama from the heat of current social problems is an event to excite interest in stagecraft circles, for in the East a majority of the plays seen today simply idealize the mythical glories of the past; the worship of great heroes is a sentiment and tradition to which the Chinese people are devoted.

The other night I had the good fortune to be invited to see "The Last of the Mings," a historical play depicting the unfortunate Tsung Cheng, the last emperor of the Ming Dynasty, who lost his kingdom through an eunuch's treacherous act in opening the city gates to the rebels. At the drop of the final curtain, I could not help but realize, so deeply did the whole play impress me, that what I had just witnessed was a performance of real art. Real art is understood universally, no matter what the language may be. Indeed, it is no exaggeration to say that "The Last of the Mings" is the history of the Chinese theater in the making.

High Beauty of Performance

It is true that I did not understand a word of what was spoken but even to eyes and ears unaccustomed to such formal precision, one instinctively sensed a subtle, tantalizing, but compelling enchantment. What matters most is the high beauty of the performance, as in the impersonal, grave and disciplined warriors who translate the common act of fighting into a conventionalized dance.

As Brooks Atkinson has said: "All personal emotions on a Chinese stage are masked in the lacquered art of acting. It is closer to the dances of Java and Bali than anything we have had in the west, since the tragedies of Greece. It is not dramatic conflict but poetry—the poetry of phrase and pantomine, and it brings us face to face with the whole tradition of Chinese culture." And the way Mr. Chow Sing-fang, artist-director-producer, has revised and modernized the old plays, keeping their virtuous traditions—such as the pantomime of hands, flowing motion of sleeves, etc. —and discarding many monotonous, meaningless, oft-repeated phrases—truly deserves praise! Happily he has struck the popular medium of combining the best from both the East and the West.

I could not help feeling awed, as one scene followed another with a promptness and precision worthy of a Broadway show. Here was something quite different from the usual ideas entertained by foreigners that the Chinese theater lacks proper timing and harmonious atmosphere, and that leading actors only appear in the closing climax. The Chinese show is not exactly an opera, nor a musical drama, nor a ballet, but the three combined. Thus, it is difficult for the presentation to mold itself into a living organism, the essence of good production. But these difficulties "The last of the Mings" has succeeded in overcoming, which means that a great deal of research and study must have been done.

Effective Lighting, Sound

Also, I was pleasantly surprised to find that the use of lighting was applied most effectively to Oriental scenery; so was sound effect. When the emperor rushed amid snowfalls to appeal to his subjects, the night-lighting, disclosing pavilions of a court-house, and added to the exquisitely embroidered gowns of the emperor and eunuch, presented a most beautiful, moving tableau of different striking poses, as Mr. Chow expressed it.

When the Emperor Tsung Cheng bade farewell to his Empress as enemies approached the Imperial gate, the emotion that our individualistic stage would express in passionate weeping, was caught in the silent grace of suppressed agony in his eyes and resignation to fate, expressed in the movement of his sleeves. At the last, the emperor was left alone—to face his fate. The high point of the

Court Scene in Well-known Chinese Play

Court scene from the Chinese stage play, "Wen Shu Shen," produced in Shanghai several months ago.

evening was reached when faithful Li Kou-tsung, torn between duty to his post and the love he bore toward the emperor, stole back on his charger

On the Stage

Mr. Chow Sing-fong, leading artist in "The Last of the Mings," Chinese stage play recently produced in Shanghai.

from the battle front to come to protect his royal person. With tears in his voice, the unhappy monarch reprimanded him, then ordered him to return to his post. The faithful Li obeyed—but not before he had bowed reverently on his knees three times in homage to his Lord.

More of China Here

It inspired me to think that there is more of China in the materials of "The Pear Orchard" than one meets in everyday life in the form of grimy sidestreets, gay dancehalls, movie houses, crude imitations of the west. The Chinese theater brings out more of the characteristics of Chinese virtue, as depicted in the scene when the emperor, having lost his empire, chooses to die in honor than to live in shame, by hanging himself to death, a sign of punishment for unfiliality to his ancestors at the famous Mei Hill.

As a word of tribute to Messrs. Chow Sing-fong, K. Y. Chow and their associates, may we hope that they will keep up this gigantic task of building a new theater from the old, just as the Americans and Russians did with theirs. It was indeed a joy to us in the audience to watch a play so well produced. We also noticed that even the most minor roles were given due attention, thus breaching the long entertained idea of westerners that the Chinese theater only glorifies the leading artists.

May we wish that "The Pear Orchard" will reap an even richer and more bountiful harvest!

Japanese Gendarme Assaults U. S. Navy Official on Shanghai Bund

JAPANESE HAVE BOMBED 36 AMERICAN MISSIONS

From the beginning of the Sino-Japanese hostilities in the summer of 1937 until September of this year, 36 American missions and schools in China have been bombed by Japanese planes, 24 persons being killed and 25 injured, according to a semi-official Chinese estimate published in Chungking on Dec. 9. The casualty figures are believed to include both American and Chinese casualties resulting from Japanese bombing of American properties. The number of times American properties have been bombed is 150, according to the same estimate.

WHILE speculation continues regarding the status of American-Japanese trade following expiration of the 1911 Treaty of Commerce and Navigation between the two countries on January 26, incidents of the type which have led to strained relations are continuing to accumulate.

The latest on the local scene was reported on Dec. 6, when a Formosan member of the Japanese gendarmerie assaulted Mr. W. N. Russell of the U. S. Navy Purchasing Office. The assault took place at No. 4 Pontoon, on The Bund, where the gendarme had boarded a lighter laden with stores destined for the U.S.S. Luzon and was inquiring as to the nature of the cargo. A sentry of the Fourth Marines had ordered the gendarme to leave and the latter ignored the order. Mr. Russell then arrived and repeated the order. The Formosan, in reply, struck Mr. Russell and the latter than forcibly ejected the man from the lighter.

Although the local Japanese military authorities reportedly expected an amicable settlement of what *Domei* described as an "altercation," the incident is under consideration by Rear-Admiral W. A. Glassford, Commander of the Yangtsze Patrol, and an official protest, adding yet one more to an already long list, is possible.

According to a *United Press* dispatch from Washington, a spokesman for a prominent group of American businessmen forecasted on Dec. 9 that no new commercial accord between Japan and the United States would be reached before expiry of the present treaty on Jan. 26 "unless the Japanese alter some basic policies affecting American business in China."

Tokyo press reports, it was stated, indicated that Japan had hoped to "appease" the United States by the offer to compensate several hundred American nationals for losses they have suffered in China due to the Sino-Japanese war. The unnamed spokesman added, however, that American companies in China would not be satisfied by such a gesture, but would insist upon alteration of Japanese practices inimical to American trade rights as established by treaty.

These practices, the businessmen's spokesman said, included widespread Japanese military interference with American business operations in China and also attempts to control currency in a manner injurious to Americans.

American Missionary Indicted at Kyoto

The Rev. Mr. Luther Tucker, an American missionary whose residence is in China, was indicted at Kyoto, Japan, on Dec. 9 on charges of distributing seditious literature and spreading groundless rumors tending to disturb public peace and order, *Domei* reported.

Mr. Tucker was arrested by the Kobe Water Police on Oct. 12 as he was about to sail for Shanghai aboard the French liner Felix Roussel. It was alleged that he had thrown overboard "incriminating evidence" which men in a police launch picked up. Locally, it was reported that the Rev. Tucker had taken to Japan several copies of a book by H. J. Timperly, dealing with Japanese atrocities at Nanking.

The purpose of Mr. Tucker's visit to Japan, where he arrived in September, was to attend a missionary conference in Kyoto, where he has now been indicted. His wife and children, who were with him at the time of his arrest, were permitted to proceed to Shanghai, where they are now residing.

Bombs Demolish French Mission in Anhwei

The French Catholic Mission in Hweichow, at the foot of the Yellow Mountains in southern Anhwei, was demolished by Japanese bombs during an air raid on Dec. 3, according to the Central News Agency.

Six Japanese planes took part in the raid and, ignoring a French flag prominently painted on the roof of one of the mission buildings, dropped bombs on the premises, the report said. No foreign missionaries were killed or wounded.

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Soviet Ship Wrecked Off Hokkaido; Big Death Toll

Eighty-seven known dead, 560 missing and 390 rescued were the figures given in a roll-call of the Soviet steamer *Indigirka*, 2,336 tons, which was wrecked Dec. 12 off Wakkanai in the Hokkaido, facing Soya Strait, according to a *Domei* report from Tokyo. The steamer sailed from Kamchatka on Dec. 8 with more than 1,000 passengers and a crew of 36, the report said. Of the 560 persons missing, it was believed that some 200 were alive. Whether the passengers on the ill-fated ship were Russian (Kamchatkans) or Japanese has not been indicated.

South Seas Bureau to Be Established by Japan

Creation of a Bureau of South Seas Affairs next year was decided upon last week by the Ministry of Foreign Affairs of Japan. An appropriation for the Bureau has already been approved by the Ministry of Finance.

The proposed Bureau will consist of a section to handle diplomatic affairs relating to Thai, the Philippines, French Indo-China and the Dutch East Indies, including Java, Sumatra, Borneo, Celebes and New Guinea. Another secion will be in charge of affairs relating to Australia, New Zealand and other South Sea countries.

Japan Gets First Iron Shipment from Chitaokow

The first quantity of iron ores obtained from the Chitaokow mines, on the Manchukuo-Korean border, was shipped from Dairen to Moji, by the Eastern Border Province Development Company on Dec. 11, *Domei* reported. The shipment totalled 6,000 tons.

Japan to Establish Rayon Plant Here Next Year

Capitalized at Yen 30,000,000 a joint Sino-Japanese rayon manufacturing firm will be set up in Shanghai early next year, it was announced in Tokyo last week. Twenty thousand idle spindles of the Teikoku Rayon Company's plant and the factories of members of the Japan Rayon Federation will be installed in the works of the new firm, which will be located at Soochow.

China to Inaugurate Big Transport Company Shortly

The China Transportation Company, fostered by the Executive Yuan of the National Government for the purpose of coordinating transportation in China-controlled territory, will be inaugurated on Jan. 1, according to *United Press* report from Chungking on Dec. 10. The company will be capitalized at $50,000,000 and will engage in various enterprises concerned with land and water transportation in southwest, west and northwest China.

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S.M.C. and F.M.C. Warn Profiteers In Rice as Labor Troubles Spread

JAPANESE ARMY SENDS RICE TO SHANGHAI

An oblique admission that Shanghai's rice shortage is due to Japanese activity in virtually cornering and buying up available supplies was contained in an announcemnt by the local Japanese Army spokesman on Tuesday of this week. He stated, according to *Domei*, that large quantities of "Japanese Army-owned rice" were being sent to this city with a view to bringing down prices of the staple from the unnatural levels to which they had been raised by Chinese profiteers and hoarders. This rice would be sold cheaply at various specially-designated shops, the spokesman said.

Recognizing the serious predicament into which the population of Shanghai has been plunged as a result of skyrocketing rice prices, the Shanghai Municipal Council and the French Municipal Council issued a proclamation last Sunday, in which warning was given that hoarders of, and speculators in, the staple would be liable to expulsion from the two foreign-controlled areas and confiscation of their stocks.

Notices to this effect were posted throughout the city and residents invited in the common interest to report cases of rice hoarding, speculation and profiteering to the police authorities.

Issuance of the proclamation came after the price of top-grade rice had soared to an all-time high of $46.50 per picul, with *sien* rice being quoted at $38. Prior to the commencement of the Sino-Japanese hostilities in 1937, the price was around $12 per picul for top-grade rice. It rose to $15 and then $18 in the early stages of the war.

Japanese Cause Shortage

The acute rice situation in Shanghai is a direct outcome of purchasing activities by Japanese agents, designed to cope with the rice shortage in Japan. The Japanese, investigation has shown, are purchasing rice in the interior at prices fixed by themselves (payable in Japanese military notes) and exporting to Japan what they do not need for feeding their armies in China.

They are reported to have established a monopoly in the Sungkiang area, south of Shanghai, which is the most important source of this city's supply. Operating under the name of the Cheng Kee Company, the monopoly has notified rice hongs in the area not to sell the grain to "unauthorized" persons, but only to the company. Paying approximately $20 per picul, the monopoly is shipping rice to Japan, and some to Shanghai, and reaping huge profits.

To insure the maintenance of the monopoly, the Japanese Army has stationed sentries along the Sungkiang highway with orders to halt all shipments of less than half a picul, exception being made only where shipments are destined for Sungkiang. Similar monopolistic practices are said to exist in all the important rice-producing centers.

A *Domei* report from Tokyo on Dec. 8 said that the Ministry of Agriculture and Forestry had placed contracts with foreign countries for the purchase of 6,000,000,000 bushels of rice in 1940. How much of this huge quantity was expected to come from China was not stated.

Labor Unrest Grows

The growingly serious rice situation is finding a reflection in labor unrest in Shanghai. Seven hundred employees of the Sun Company's Department Store staged a three-hour "go slow" strike last Sunday to enforce demands for a 30 per cent salary increase for those earning less than $25 a month, a 35 per cent bonus for all employees at the end of the year, and a 20 per cent increase for those earning $25 per month or more. Similar action was taken on Monday by 700 employees of the Sincere Department Store and the International Dispensary, who are also demanding wage increases to meet the higher cost of livng. Workers at the International Dispensary demanded increased rice allowances, shorter hours, year-end bonuses, and reinstatement of three workers dismissed just before the demands were presented. The Sincere Company employees want a flat $5 raise in salaries, year-end bonus, and restoration of pre-hostilities working hours.

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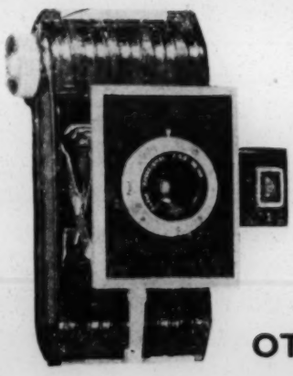

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workers at the Wing On cotton mill, 491 Markham Road, went on a sit-down and hunger strike on Tuesday night, demanding higher wages. Police with armored cars are guarding the mill premises. Strikes are also in progress at the Aluminum Rolling Mills and the China Soap Factory in Yangtszepoo, while strikes are expected at the Paton & Baldwin wool factory and the Ewo Cold Storage plant, both in Yangtszepoo.

According to the November report of the Industrial Section of the S.M.C., the cost of living index of Shanghai workers rose to 254.54 in that month, the increase being 6.32 points or 2.55 per cent above the October figure, and 154.54 points above the 1936 base figure of 100. The purchasing power of the Chinese dollar was therefore down to $0.3929 of its 1936 value.

Icelandic Parliament Excludes Communists

The movement in Europe and America against the Communist parties spread to Iceland last week, when the Inter-Parliamentary Committee of the Althing (Icelandic parliament) decided to exclude Communist deputies from its sessions because in a public statement they had taken an attitude on the Finnish-Russian conflict said to be contrary to the principles of Iceland's policy.

This was according to a *Transocean* report from Copenhagen, which followed up the story with a later report predicting the complete disappearance of the Communist Party in Iceland. In order to continue cooperating with other parties, six Communist members quit their party, the German agency said, leaving only four Communist representatives in the Althing.

Iceland, a sovereign state united with Denmark under the monarchy of the Danish King, Christian X, has the oldest parliament in the world. Icelanders celebrated its 1,000th anniversary in June, 1930. The country has no army or navy, no fortifications, no deficit, and—reportedly—no unemployment.

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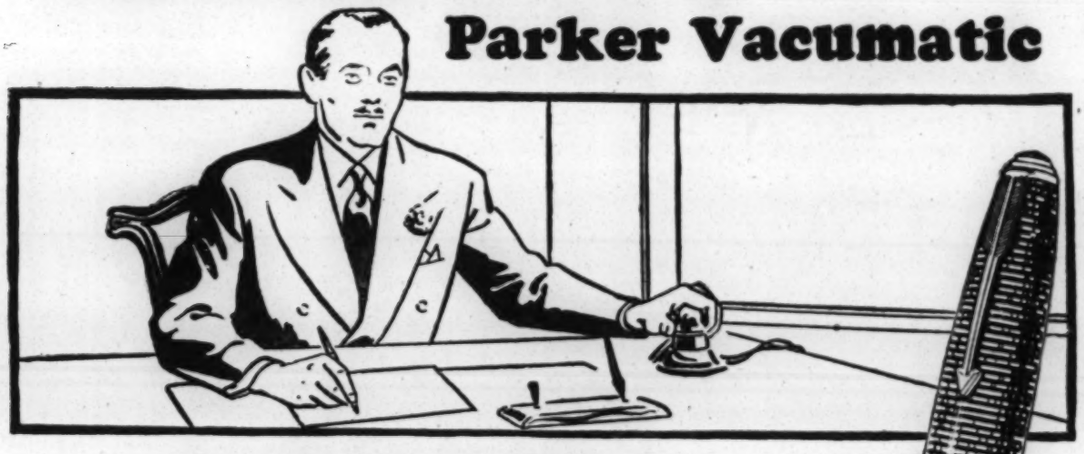

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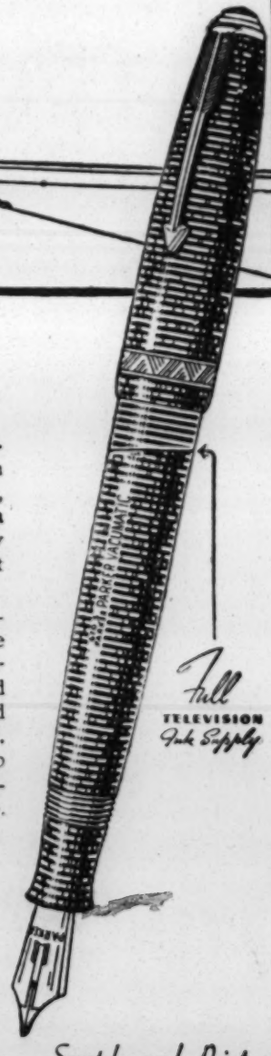

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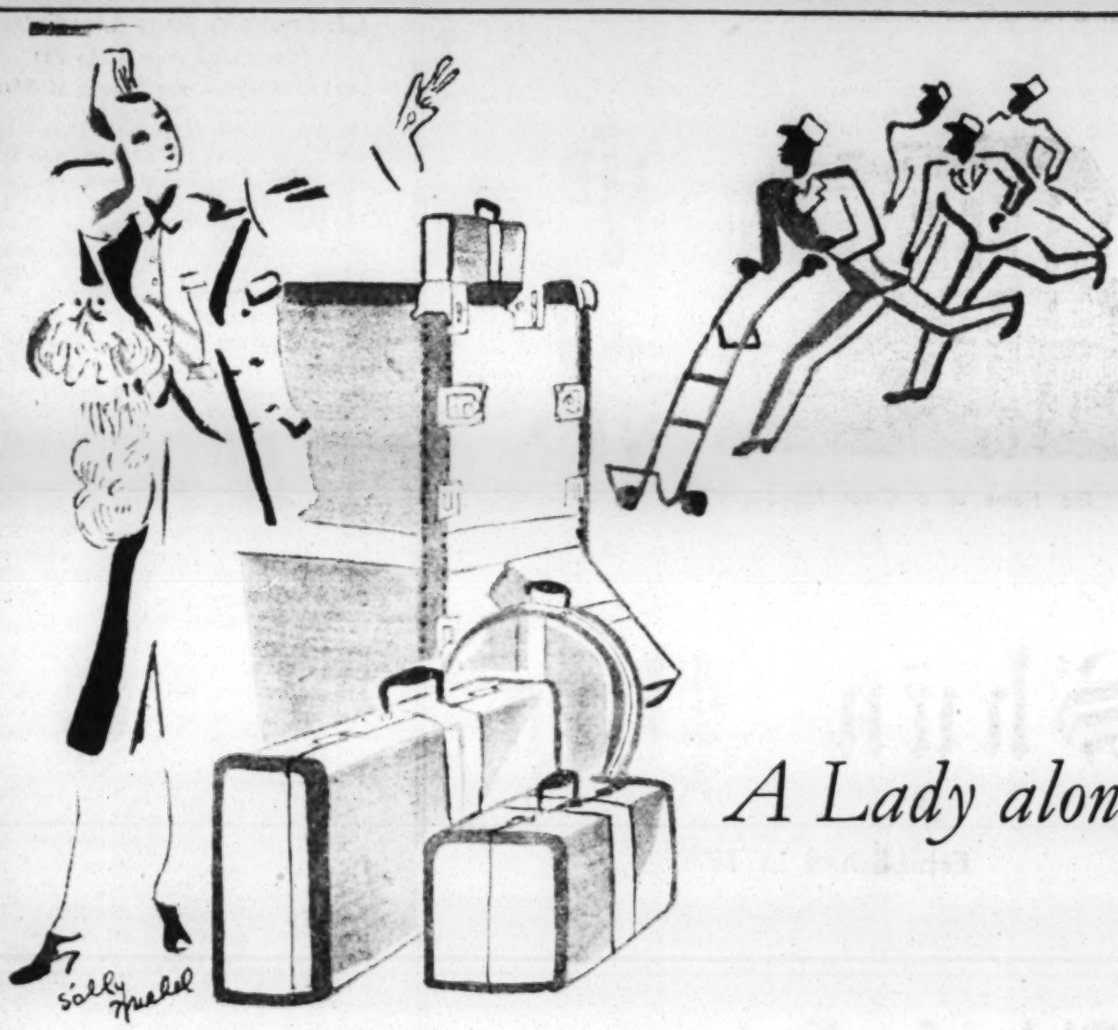

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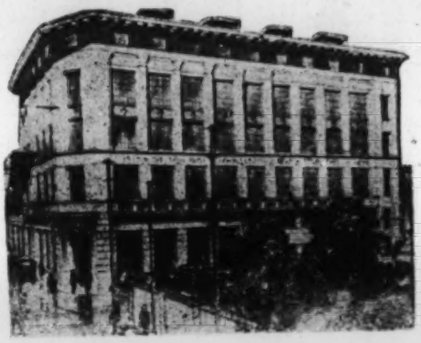

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Chinese Counter Attack

(Continued from page 92)

puppet troops under orders of Wang Ching-wei were reported to be co-operating with Japanese forces last week. In retaking Chaoan, the Chinese victors made prisoner "an important puppet leader named Lin Chi-yuan," according to a *Reuter* report from Chungking. Li, it was stated, was to have headed a puppet civil administration which the Japanese intended to establish in Fukien province.

Yungchi, situated between Yochow and Linhsiang on the Canton-Hankow Railway, was recaptured by Chinese troops operating in northern Hunan on Dec. 7. After fighting their way into the city, the Chinese soldiers reportedly wrecked three Japanese ammunition depots, burned down two barracks, and forced the Japanese garrison to retreat to Yochow after 400 of their number had been killed.

Chikow, Gen. Chiang Kai-shek's birthplace northwest of Fenghua in Chekiang province, was raided by a Japanese Army air unit at noon on Dec. 12, according to *Domei*.

Professor Steiner Now Visiting China Again

Prof. H. Arthur Steiner of the Political Science Department of the University of California, at Los Angeles, arrived in Shanghai this week and after a visit of several days, plans to proceed to Hongkong and Hanoi. This is Prof. Steiner's second trip to the Far East. In an interview published in the *Japan Advertiser* (Tokyo) on Nov. 25, Prof. Steiner said that Ambassador Joseph C. Grew did a great service to the Japanese people by telling them in words that could not be misunderstood of the genuine depth of feelings of the American people regarding Japanese activities in China. Prof. Steiner addressed the members of the Pan Pacific Club of Tokyo at the Imperial Hotel on Nov. 24.

New Southwestern Motor Highway Now Completed

Construction work on the new motor highway between Luhsien, southern Szechwan, and Kunming, capital of Yunnan province, has been completed. Traffic over the new road is expected to begin early in the new year. The road passes through Shusui, Pichieh, Shienning, Shunwei and Chuching, covering a distance of 916 kilometers. Traffic over the new road will be by modern buses, some 100 having been purchased in the United States for the purpose. The new road will greatly facilitate transportation in the western China territories, linking up Yunnan, Kweichow and Szechwan with Kansu and Shensi. It will now be possible to make the trip from Kunming to Chengtu by way of Luhsien, in six days.

Border Conference Started at Chita

Attended by Japanese, Manchukuo, Soviet and Outer Mongolian representatives and presided over by Major-Gen. M. A. Bogdanov of the Soviet Union, the border delimitation conference at Chita, called in terms of the Soviet-Japanese truce signed at Nomonhan on Sept. 15, got under way on Dec. 7.

Speculation is rife as to whether the conference—in the event that it settles amicably the border dispute between Outer Mongolia and Manchukuo—will pave the way for settlement of other outstanding Soviet-Japanese issues (fisheries and the Sakhalin concessions) and lead to the conclusion of a Soviet-Japanese non-aggression pact.

While, according to a *Reuter* message from Tokyo on Dec. 9, it is generally believed possible that such a pact may be concluded, a spokesman of the Tokyo Foreign Office declared on Dec. 8, according to *Domei*, that Japan's present program does not call for a non-aggression pact with the Soviet Union, but merely a settlement of all pending questions between the two countries.

That Japan is endeavoring to use current negotiations with Russia as a counter-weight to American pressure was indicated in a *Domei* dispatch from Tokyo on Dec. 7, reporting a conversation between Mr. Seijiro Yoshizawa, director of the Bureau of American Affairs of the Foreign Office, and Mr. Eugene H. Dooman, counsellor of the American Embassy. Mr. Yoshizawa was said to have stated that future relations between Japan and Russia would greatly depend on the attitude of the United States toward Japan.

The *Nichi-Nichi* stated in an editorial last week that a tentative date for the opening of formal negotiations for conclusion of a Soviet-Japanese commercial treaty had been set for the middle of January. To this the journal added that the Japanese Ambassador in Moscow, Mr. Shigenori Togo, would in the meantime conduct with Foreign Commissar Molotov "frank conversations tending to assist the trade talks, and attempt to arrive at a political solution of relations between Japan and the Soviet Union."

Head of Women's School Wounded by Two Gunmen

Believed to have been the victim of anti-Chungking elements, Miss Mao Li-ying, 28, head of a vocation school for young women known as the Shanghai Professional Women's Club, 120 Nanking Road, was shot down by two men as she left her office at 6.10 p.m. Tuesday.

Miss Mao was not fatally wounded but she probably will be in the hospital for two or three weeks. Four shots were fired at her, two of which took effect, one in the thigh and one in the leg.

Known to have been a staunch supporter of the Chungking Government, Miss Mao was intimidated last year. Her assailants, who made good their escape, were described as being of the student type.

Air Raid Shelter to Be Built in Tokyo

A huge bombproof air raid shelter, Japan's first, will be built in Tokyo next year, the *Asahi Shimbun* chain of newspapers reported on Dec. 12. The shelter will accomodate 5,000 persons, and will be constructed beneath the Tokyo railway station so that it can be used in peace-time to connect the exit and entrance of the station. The subterranean passage will be 150 meters long and 20 meters wide.

This will be one of the enterprises undertaken to mark the 2,600th anniversary of the founding of the Japanese Empire, which will be celebrated next year. Air raid shelters will also be constructed in other places in Tokyo, and in Osaka and Kure, which are regarded as the three most important cities in Japan from the standpoint of national defense, the newspapers declared. The shelters will be used by pedestrians caught out in the streets during air raids.

British Police Wound 100 Indian Demonstrators

Approximately one hundred natives who took part in a demonstration against profiteering in the Indian border town of Jubbolphor were wounded by police, according to a *United Press* dispatch from London on Dec. 12, which said that the demonstration was "without political significance."

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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.

November 21

Gen. Pai Chung-hsi returned to Kweilin, Kwangsi capital, to direct operations against the Japanese. Japanese drive on Nanning said checked. Gen. Tsai Ting-kai "hero of the 1932 Shanghai war," now commanding the 16th Group Army, ordered by Gen. Pai to defend Nanning to the last.

Wang Ching-wei said meeting further difficulties in his plan to establish a new central government. Considerable bargaining reported going on between Wang and the Japanes concerning the degree of sovereignty of the proposed regime. Difference of views especially pronounced concerning the question of withdrawal of Japanese troops and the creation of a new Chinese army under the proposed government. The **Chung Hua Jih Pao**, Wang's organ in Shanghai, demanded that Japan must reach an argeement with Wang before the formation of the new administration.

Chungking denied reports that the Soviet Ambassador Alexander Panaouchkine made representations to the National Government prior to the meeting of the recent C.E.C. Session regarding relations between the Kuomingtang and Chinese Communist Party. Communist circles expressed satisfaction over the decisions of the session, especially the one for the convocation of a People's National Congress in November, 1940.

Lt-Gen. Norihide Abe, noted Japanese tactician and commander of a Japanese mixed brigade, reported killed in action on Nov. 3 in Hopei.

Japanese war prisoners in China now totalled 9,400, according to **United Press** report from Chungking.

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November 22

Reports on the Kwangsi military situation conflicting. Chinese dispatches claimed strong resistance had halted the Japanese drive on Nanning, while the Japanese asserted that their troops were now only 12 kilometers from the city.

Severe fighting reported progressing north of Canton, as the 154th Chinese Division launched a furious attack on the Japanese, according to Japanese report.

Maj.-Gen. Chu Shih-ming, Director of the Publicity & Intelligence Department of the Ministry of Foreign Affairs, made a critical attack on the proposed regime of Wang Ching-wei in a strongly-worded statement. Wang's attempt to form a new regime described as a comic drama unworthy of notice.

Chinese guerrillas in North China resumed activity. Japanese army spokesman in Peiping admitted fighting in the vicinity of the Ming Tombs, north of the city, the serious nature of which being indicated by the resort to air bombing by the Japanese. Fighting also reported in East Hopei and near Shihchiachwang on the Peiping-Hankow Railway.

"For twelve months I was in a terribly weak, anaemic state," states Miss J. Coward, of 5, West Street, Weston-super-Mare, England. "I was always languid and could not eat: I felt terribly depressed and miserable, and grew very thin. I was ghastly pale and frequently felt faint and giddy. Then boils came out on my face. I felt absolutely worn out.

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The U.S. Ambassador Nelson T. Johnson left Shanghai for Peiping. Prior to departure, he was called upon by Sotomatsu Kato, Japanese minister-at-large in Shanghai.

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November 23

During the past four days Nanning was subjected to continuous merciless air attacks by Japanese bombers. Hundreds of persons killed and large numbers of houses destroyed. In addition to Nanning, many other Kwangsi cities, including Pingyang and Wuming, also severely bombed, resulting in enormous loss of life.

Following the fall of Tatangyu, 55 kilometers south of Nanning, Chinese forces withdrawn further inland. The main Japanese force said to have crossed the West River and occupied surrounding hills less than three miles from Nanning.

Wang Ching-wei, in an interview granted to a German newspaper correspondent and published in the **Ostasatischer Lloyd**, German daily in Shanghai, outlined the policy of his projected central government. Referring to the policy of the new regime, Wang said, "The liberty and independence of China must not be impaired." He contended that "China can not bring her conflict to a victorious end by military means and that Japan can never become the uncontested victor of China. Both countries have to make sacrifices for mutual understanding and peace."

Japanese army spokesman in Peiping admitted the Chinese claim to have killed a Japanese general. Lt.-Gen. N. Abe, a divisional commander, the spokesman said, was ambushed with ten men near Paoting a few days ago and the whole party was wiped out.

Yoh Hua, judge of the Second Special District Court in Shanghai, murdered; motive of the assassination believed political.

Sumner Welles, U.S. Under-Secretary of State, indicated that the American-Japanese commercial treaty, abrogated by the United States, would be permitted to lapse without renewal in January.

*
**

November 24

Nanning fell to the Japanese. City reduced to ruins after five days of incessant Japanese air-bombings and Chinese incendiarism preparatory to withdrawal.

Japanese resumed drive along the Canton-Hankow Railway northwest of Canton with Lupao as their immediate objective.

Chinese resistance and morale are greater at present than at the start of the conflict, declared Dr. Hu Shih, Chinese Ambassador to Washington, in New Haven last night. Because of these factors, he said, the Chinese will fight on for many years.

Commenting on Wang Ching-wei's statement in his **Chung-Hua Jih Pao** that the Chinese National Government could be overthrown only by Chinese forces, Japanese army spokesman in Shanghai said that this statement represented only "Mr. Wang's opinion." The spokesman added that because the Japanese government had implicit faith in Mr. Wang's sincerity and power to establish a new Chinese government, it had desisted from hurrying him.

*
**

November 25

Commenting on the reported capture of Nanning, Japanese army spokesman said, "The capture of Nanning, effected within 10 days of the landing of Japanese troops in western Kwangtung, deprieves the Chungking government of a most important route for the supply of arms from French Indo-China."

China's army still strong and operations, such as the seizure of Pakhoi by the Japanese, would not have much

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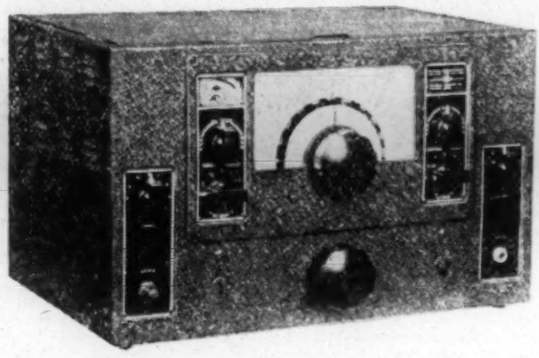

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effect, said the London **Times**. Japanese armies remained embedded in China's morass, their great autumn offensive having miscarried, the **Times** added.

The 2nd battalion of the French Colonial Infantry stationed in Shanghai suddenly departed for French Indo-China en route to France for service on the Western Front.

Chungking newspaper circles indignat over the deliberate insult of Madame Sun Yat-sen by Wang Ching-wei's paper, the **Chung Hua Jih Pao** in Shanghai, which called her "the No. 1 puppet of Chinese Communists." Insult to Madame Sun followed her charge that Wang distored and defaced Dr. Sun's teachings.

Young boys and girls—children, with lives ruined by heroin and thrown into jail; open, door-to-door selling of heroin among the crowded slums of the city; one third of the city's entire population completely addicted to either opium or drugs; and ruling "the hell they have made," a "government "and a fair part of its society admittedly unable to exist without the $3,000,000 annually the drug boxes produce. This was the picture of Nanking today, drawn by Dr. M. S. Bates, vice-President of the University of Nanking, at the conclusion of an investigation into the narcotics problem in the former capital. Dr. Bates made the revelations in an interview with **The China Press.**

*
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November 26

Chinese forces still battling for Nanning; severe fighting raging north of the city with the Chinese putting up a stiff resistance to further Japanese advances.

Reorganization of Chinese Cabinet rumored following the resignation **en bloc** of all Cabinet Ministers. The proposed reshuffling said designed to increase administrative efficiency and unify administrative functions.

Dutch Ship Meets Reich Cruiser in Indian Ocean

According to a dispatch from Batavia published in the *Corriere della Sera*, Milan newspaper, the German battle cruiser *Admiral Von Scheer* was recently seen in the Indian Ocean by the captain of the Netherlands steamer *Mapia*, who reported that his vessel had been stopped by the Reich warship. Until recently, the British Navy was reportedly searching for the *Admiral Von Scheer* in the South Atlantic.

U.S. Trade With China, Japan Shows Increase

According to statistics of the U.S. Department of Commerce, American exports during the month of October, totalled $332,000,000 as against $227,000,000 for October, 1938.

China bought American products to the value of $5,500,000 as against $1,717,000 for the same period of last year, while $23,367,000 worth of goods were sold to Japan as against $19,497,000 for October, 1938.

Imports amounted to $215,261,000 as against $178,024,000 for the same period of last year. Of this total, $6,426,000 worth of goods came from China as against $4,285,000 for October, 1938, while $20,438,000 was the total of American purchases from Japan as against $11,678,000 for the same period of last year.

Who's Who in China

Chou Po-min, college president; born at Chingyang, Shensi, 1892; studied at the Shensi High School, 1911; attended the Fuhtan University in Shanghai for two years and later graduated from the China National Institute with B. A. degree; joined the First Revolution in 1911, when he

周伯敏
Chou Po-min

led the student corps and local militia in Chingyang; secretary in the Headquarters of the National Pacification Army in Shensi, 1918; vice-president of the Shensi Provisional Provincial Council, 1920; member of the Third Shensi Provincial Council, 1922; head of the preparatory department of the Shensi Law College and then professor of the Chung Shan University, 1930; member of the Standing Committee of the Nanking Municipal Party Headquarters and concurrently member of the Control Yuan, 1931; member of the Central Executive Committee of the Kuomintang and concurrently member of the Local Self-Government Committee of the Central Political Council, 1936; member of the Shensi Provincial Government and concurrently Commissioner of Education, 1937; member of the Shensi Provincial Party Headquarters and concurrently President of the National Northwestern College of Agriculture; author of "Saving China by Education" 1936 and "On Sino-Japanese War" 1938; address: National Northwestern College of Agriculture, Wukung, Shensi.

Nazi Official Found Murdered in New York

New York police were busy this week investigating the murder of Dr. Walter Engelberg, secretary to the German consulate-general in that city, who was found dead in his bedroom on Dec. 6 after he had been absent from his duties for two days. The dead man was badly battered about the head, in such manner as to suggest that his assailant had used an axe.

Bloody fingerprints found in the room where the murdered man was found were identified as those of a former pugilist, who was understood to be in Florida. The pugilist was believed to have "lived with" the Nazi official, according to a *Transocean* report on the subject.

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Men and Events

S. F. Lynch, American adviser to the Ministry of Finance of the National Government at Chungking, is visiting in Hongkong.

*

A. B. Henningsen, member of the American firm, Henningsen Produce Company, has returned to Shanghai from a trip to the United States. Mr. Henningsen recently resigned as manager of Getz Brothers to join the Henningsen Produce Company.

*

Mrs. Carl Boehringer, whose husband is Assistant U. S. Commercial Attache in Japan, has returned to Tokyo from a visit with friends in Shanghai.

*

Owen L. Dawson, American Agricultural Attache, has returned to Shanghai from a trip to the United States. He was accompanied by Mrs. Dawson and their three children.

*

George De Ghika, who was Consul-General for Hungary in New York, has been appointed Hungarian Minister to Japan. Accompanied by his daughter Annelise, he arrived in Tokyo on Dec. 12.

*

Francis B. Sayre, U. S. High Commissioner to the Philippines, made an inspection of the Japanese settlement in the Davao area of Mindanao province this week, including a visit to the Papabaca plantation and other Japanese enterprises.

*

H. E. Morriss, chairman of the board of the *North-China Daily News*, senior British newspaper in China, has returned to Shanghai from a trip to England.

*

Madame Henri Cosme, wife of the French Ambassador to China, arrived in Chungking by airplane from Hanoi on Dec. 10 to join her husband who has been in Chungking for some time.

*

Rear-Admiral George J. Meyers, 61, until recently commander of the 16th Naval District of the Philippines, died aboard his flagship, the U.S.S. Argonne, at San Pedro, California on Dec. 8.

*

Miss Eleanor Hinder, director of the Industrial Section of the Municipal Council of the International Settlement, went to Hongkong last week on a brief vacation. She planned to return before the end of the month.

*

Frank Martin, Jr., son of the Dean of the School of Journalism of the University of Missouri, is expected to arrive in Shanghai shortly on a trip through the Far East. He has been engaged in newspaper work in New York.

*

British residents of Shanghai, through their Central British War Fund, remitted the sum of £7,062 to London for war relief services on Saturday, Dec. 9. Of this sum, £500 was for the purchase of naval comforts and as tribute to the crew of the Rawalpindi, £250 for military comforts and £250 for air force comforts.

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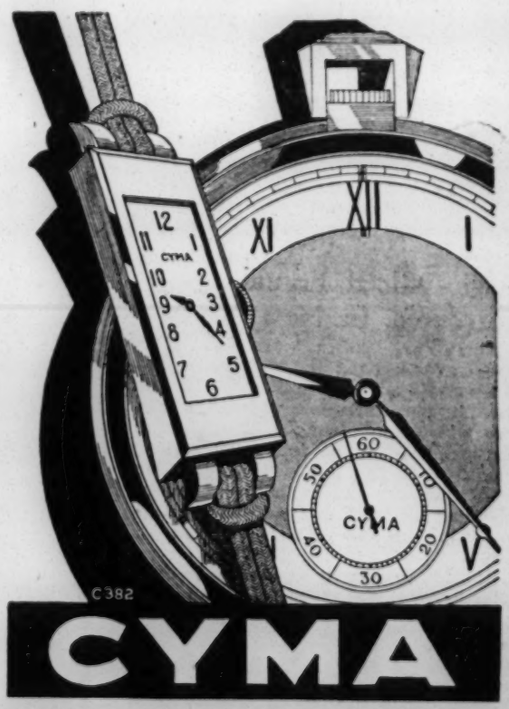

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Ken Harada, vice-chief of Information in the Tokyo Foreign Office and recently appointed Counsellor of Embassy in Paris, spent several days in Shanghai and Nanking on an inspection trip through China.

•

Mrs. James Russell Young of Tokyo arrived in Shanghai this week to join her husband, who is correspondent for the *International News Service* in the Far East. Mr. Young, who spent considerable time here, is returning to Shanghai from a trip to Hongkong, Chungking and French Indo-China.

•

The Rev. W. R. Johnson, member of the Methodist Episcopal Mission at Nanchang, Kiangsi province, was scheduled to speak before a luncheon meeting of the American University Club, at the American Club, on Friday, Dec. 15, on the subject, "Observations on Peace and Other Propaganda in the United States as it Relates to the Far East."

•

A general meeting of the members of the Royal Asiatic Society has been called for Thursday, Dec. 21, at the Society's Hall, 20 Museum Road, at 5:30 o'clock in the afternoon. The purpose of the meeting is to discuss an amendment to the Constitution of the organization providing for an increase in dues.

•

The Netherlands Consulate, maintained for many years at Seoul, Korea, has been closed permanently, according to a *Domei* report from Tokyo on Dec. 10. The report alleged that the Consulate had been closed because of a controversy between the honorary consul and the Japanese authorities over an alleged smuggling case.

•

Melville Jack Jacoby, special correspondent for the San Francisco *Chronicle*, departed from Shanghai last week for Chungking where he plans to remain for some time inspecting conditions and writing articles dealing with West China. Mr. Jacoby is a graduate of the University of California and has been connected with the Institute of Pacific Relations.

•

Gerald L. G. Samson, British writer, who traveled extensively in the Far East some time ago, is the author of a new book, "Warning Lights of Asia," shortly to be published by Robert Hale, Ltd., London publishing house. Half the book will deal with China and half with Japan. Since returning to England several months ago Mr. Samson has been delivering lantern lectures dealing with various phases of Chinese life.

•

Two American youths, Aceil Vest, 21 and Rex Brown, 20, whose parents reside at Idaho Falls, Idaho, arrived in Shanghai on Nov. 27 as stowaways on the Danish cargo ship Greta Maersk. They boarded the ship at Los Angeles and had hoped to reach Manila. As they could not find any work here they have been in destitute condition, depending on the U.S. Marines for food and lodging. Telegrams were sent to their parents last week by Hallet Abend, correspondent for the *New York Times*, who formerly was engaged in newspaper work in Boise.

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CHARLES M. MYERS
Executor of Last Will and Testament of Madge Dickson Mateer, Deceased, c/o Associated Mission Treasurers, Shanghai, China.

Shanghai, China.

Joaquin M. Elizalde, Philippine Resident Commissioner at Washington, arrived in Manila by Clipper plane on Dec. 9. He said that U. S. —Philippine relations were "never better," and that the people of the Philippines should be grateful for having escaped aggression and world-wide warfare.

*

Dr. P. F. Greene, member of the Yale Mission Hospital at Changsha, Hunan, arrived in Shanghai this week, having made the trip overland by motor car through Hunan, Kiangsi and Chekiang provinces. Dr. Greene is staying at the American School. He plans to return to Changsha early in the New Year.

*

Mrs. Relman George Morin, whose husband is manager of the *Associated Press* in Japan, and Mrs. Russell Brines, whose husband is also connected with the Tokyo office of the *Associated Press*, have returned to Japan following a brief vacation in Shanghai. Mrs. Morin is departing shortly for a visit with her relatives in Los Angeles.

*

Miss Chen Sin-man, 17-year old Cantonese girl, who received the sum of U.S. $1,800 from the National City Bank, which was intended for another girl with a somewhat similar name, admitted in the First Special District Court on Saturday, Dec. 9 that there was no one in the United States who was likely to send her such a sum of money, equivalent to $25,000 at present exchange rates. An Italian friend of Miss Chen's named Ugo Chiesa, who allegedly assisted her in obtaining the money from the bank, was said to have telegraphed the Court that he would return to Shanghai. Miss Chen claimed she had loaned the Italian the money and he had departed for Japan. The money was remitted here by Chinese in San Francisco and was intended for a Chinese girl named Chen San-mei.

Monroe B. Hall, U. S. Consul, has returned to Shanghai from a trip to Washington. Mr. and Mrs. George Lamonte and Mr. and Mrs. Harold Pease, of the U. S. Consulate-General at Shanghai have returned from a trip to the Philippines. W. R. Lynch, vice-consul, connected with the shipping office of the U. S. Consulate-General, has returned from leave spent in the United States.

*

A young woman, with her four-year-old son, attempted to commit suicide near Atami station in Japan on Wednesday Nov. 22, in order to be with her husband who had died in action on the China front. She hurled herself in front of a speeding train with her young son in her arms. The child miraculously escaped injury, but the mother is not expected to live.

*

Madame Chiang Kai-shek was operated on for sinus trouble, at Chungking on Dec. 7, and according to latest reports is recovering from the ailment. The operation was performed by Dr. H. Talbot, British surgeon at Hongkong, who flew to Chungking in Gen. Chiang Kai-shek's private plane for the purpose. Sinus trouble is said to be prevalent in Chungking due to the cold, damp climate.

*

The California Clipper, 70-passenger plane which flies between San Francisco and Hongkong, made its first night landing at Manila on Saturday Dec. 9. Ordinarily the plane lands at Manila in the afternoon, but on this trip (from Guam) it was compelled to make a detour to the south in order to avoid a storm. Guided by the brilliantly lighted waterline about Manila Bay the plane made a safe landing at about 6:45 p.m. On its previous trip, the California Clipper crossed the Pacific in 54 flying hours, fastest time on record.

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New Books of Interest in the Far East

Lin Yutang's Novel

MOMENT IN PEKING — By Lin Yutang. Authorized Chinese edition, published by Kelly & Walsh, Ltd., Shanghai, 1939. 815 pages. Price, Ch.$8.50.

It was almost inevitable that Lin Yutang should turn to the writing of a novel. In his book *My Country and My People* he gave the best single interpretation of Chinese characteristics that has yet been made.

And now that he has turned to the novel it can be said at once: Here is a novel, too, superior in interpretation of China to any novel by a Western writer. Pearl Buck's *The Good Earth* has had a long lead over novels by Western writers, but even here the Western novelist is at a disadvantage. For the Western writer, no matter how conversant with China, presents the Chinese people as he or she imagines or wishes them to be. The technique of the story, too, imposes requirements to which the nuances of truthful writing are sacrificed. But Lin Yutang is writing as a Chinese, from within, and though his novel has not swift brilliance—it is 815 pages long—it has the merit of recording Chinese life as it really is.

Only a few illustrations will suffice. In *My Country and My People*, Lin Yutang presented the social and cultural life of his people; their character of mellowness, patience, humor; their literary ideas and values; and the influence which contact with the West has had upon them. There is philosophizing of an over-smart kind in his book *The Importance of Living* which, whatever its success may be as a best seller, is inferior to *My Country and My People*. In *Moment in Peking* we find philosophizing, but it is more restrained, more essentially fine.

The novel starts with the beginning of the breakdown of the old order, symbolized by the Boxer uprising and the Westernization that set in hard upon it. The local color is admirable. The tale is carried right up to the present year where the reader at the end sees the Chinese refugees starting out on the great trek to the West—"a solid mass of trudging humanity, a whole population uprooted from their homes, going with indomitable courage to make new homes in China's interior." "These people preferred war to slavery, even though it was a war that destroyed their homes. Such was the triumph of the human spirit."

Forty years are but a moment, the author implies, in the history of a people for whom man's relation to eternity—and the values that rise out of that—are the only things of permanent significance. This idea is finely suggested in the experience of Lifu and Mulan on Taishan in Shantung, where these two see life "more clearly than before." A wealth of example could be given of the changing social, cultural and political scene recorded in this book. The close-knit and at the same time diversified life of large Chinese families, the all-important part played by the women, the persistence of long-bred principles of family loyalty amid new ideas of education, love and marriage, are the very stuff of this novel. But though the old order is seen breaking down and a new order coming in, "an age without king, father, teacher," the reader will find nothing of loose family ties. Quite the contrary. Lifu and Mulan, his sister-in-law, are spiritual affinities, but neither for a moment oversteps the bounds of loyalty to the husband and wife concerned.

> "How many girls in those days had dreams that were never fulfilled...hopes that were thwarted on the threshold of marriage, and later lay dormant in the form of hopes for their sons!...How many wanted to marry the type of young man they cared for and could not! "Mulan was more luckily married than many or most of these."

The story moves through the varying events of family life, mainly in Peking, now and again in Shanghai, Soochow, Hangchow, Nanking. Sometimes the episodes seem almost of too slight importance, and the reader wonders whether the tale is not too long drawn out. But undoubtedly the author's purpose is to make one feel the slow, imperceptible change of life, touched only here and there at intervals of time by the acceleration of events. This quality is exemplified in the description of the Literary Renaissance, where the ferment of new ideas is admirably conveyed to the reader. The author, who was

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himself a part of that literary revolution in Peking, describes it with sympathy and humor. The reader is made to feel that every new idea was tried out in the thinking of these mild iconoclasts. The kindly father Yao, who seemed like a spirit that knew eternity itself, looks with benevolent eye on this experimental life, secure in his Taoist philosophy that man after all does little; it is the Way that fulfills itself in its proper time and manner. Readers of Lin Yutang's other books know how imbued with the Taoist philosophy, especially with that of the whimsically profound Chuangtse, is the author's own thinking. Laotse and Chuangtse have indeed come into their own in Chinese thought, and Lin Yutang is only emphasizing qualities inherent in the Chinese people when he depicts the persisting influence of these living ancient philosophers. "A falsehood is not argued out of court; it just rubs off, like bad paint, by itself."

All these social and cultural changes are made to lead up to the events of 1938, with which the book is brought to a close that is tragic but also goes beyond tragedy. It is a far cry from the China of the Boxer days and Tzu Hsi, of Yuan Shih-kai and the warlords. The Japanese soldiers appear on the scene, and as event leads to event, the common determination to resist becomes "like the ten-thousand-*li* Great Wall, and as enduring."

In depicting all these changes on so large a canvas Lin Yutang has written a really great work. There is a flavor of the Red Chamber Dream about its family relationships, about the literary criticisms in which its young people indulge; and it is evident that a feeling for the Red Chamber Dream has gone into the writing of Lin Yutang's book. But the beauty of the Red Chamber Dream is that of weakness, frustration, social decadence. Lin Yutang's *Moment in Peking* reminds one of Milton's "noble and puissant nation rousing herself like a strong man after sleep, and shaking her invincible locks"; or better, of a nation that has been old but has renewed its youth.

D.R.

America and the War

THE NEW WESTERN FRONT—By Stuart Chase. Published by Harcourt, Brace & Company, New York. 196 pages. Price U.S.$1.50.

A book dealing with peace and war is timely these days. And when that book counsels its readers to be quiet and think the matter out; and, when it provides them with raw material of good quality to help them form a reasonable judgment, it is still more timely.

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Should America go to war to save its export trade? Or to keep aloft an ideal? To stop someone? To pep up business? The book gives a good answer.

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J. R. M.

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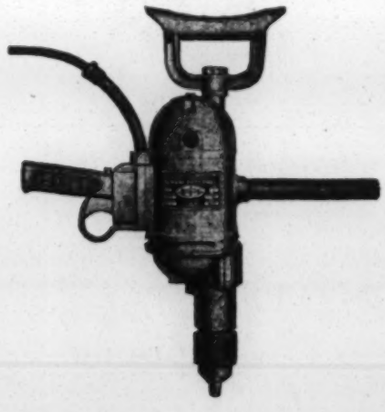

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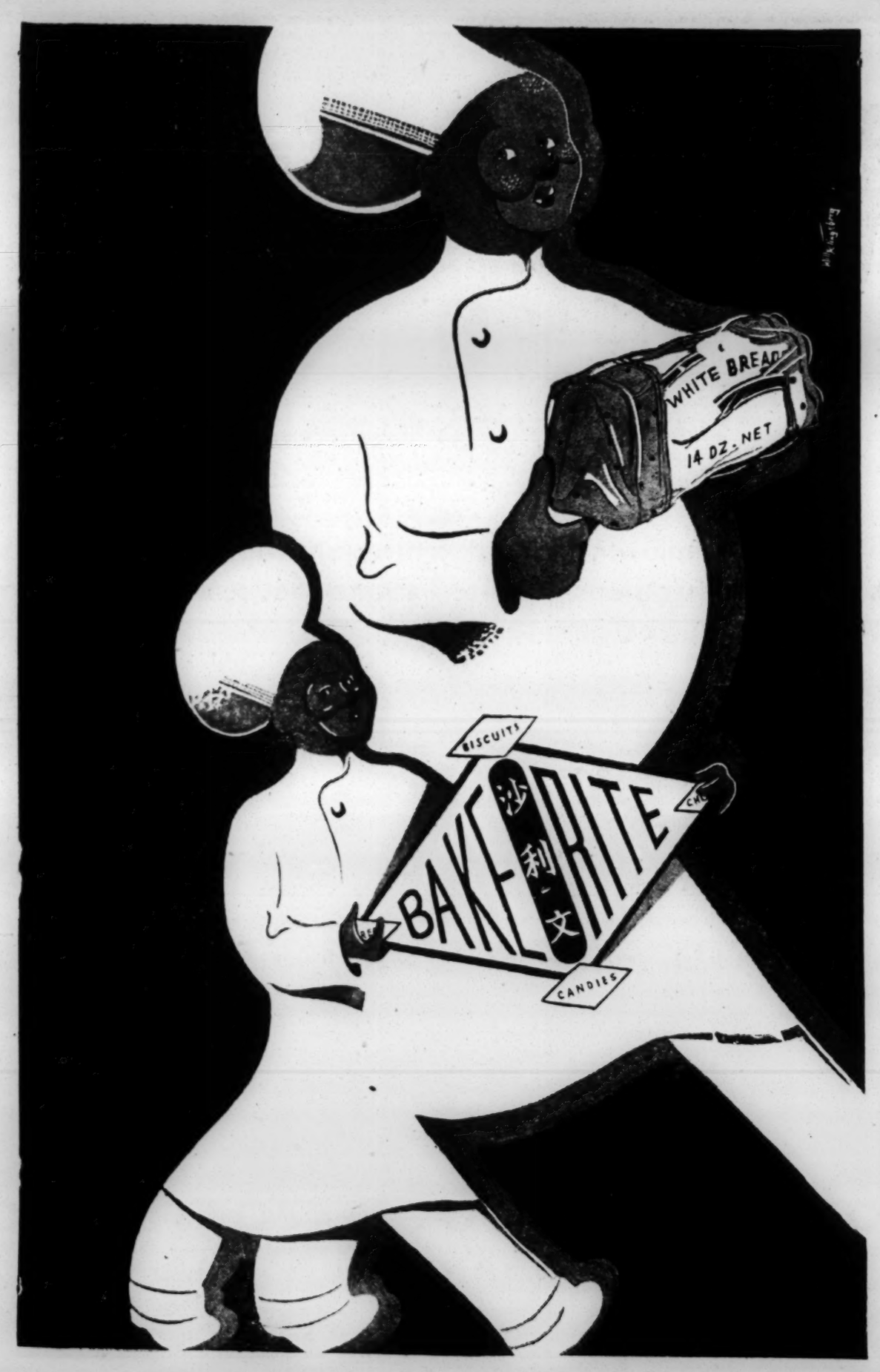
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